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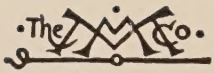

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THE PEACE TANGLE

By

JOHN FOSTER BASS

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TO MY WIFE

WHOSE UNTIRING HELP MADE THIS
WORK POSSIBLE

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THE PEACE TANGLE

INTRODUCTION

These hastily written chapters are intended to show that the war brought rapid and complete deterioration.

The fact that the need for economic revival was more fundamental than that for political revival was not appreciated by the political men who made the peace.

Nor did they appreciate the fact that peace called for a different political solution than would have been equitable under the economic conditions of 1914. In so far as it indicated international cooperation, the pre-armistice agreement however, contained the political basis for an economic revival.

The thoughtful observations of an unbiased American may perhaps prove of some assistance to the people of this country in finally deciding what they propose to do respecting these new and intricate problems. This book has, therefore, been produced under a pressure, inexcusable except for these special conditions which have led me to sacrifice many important considerations in order to accomplish its early publication. Quickly constructed to describe vast territory, the volume must of necessity

be both inadequate and often inaccurate. For these defects the author makes no apologies. The book is intended only to set his countrymen thinking. If it accomplishes this it will have fulfilled its purpose. The author also hopes that his attempt, from an entirely detached viewpoint, regardless of national susceptibilities, will not offend some of his readers too much.

The author wishes to thank his friends in Europe for help given him, especially Paul Mowrer, A. W. du Bois, Ward Price and Francis Delaisi. But these pages are directly due to the knowledge acquired in work for Victor Lawson, whose aim to secure an impartial All-American news service is itself a real, patriotic service.

CHAPTER I

American Responsibilities

In the confused mass of complications produced by the economical chaos and the post-war psychology of the different peoples in Europe, Americans should bear in mind certain facts concerning their part in the war and in the making of the treaties under which the map of Europe has been redrawn.

This is the first time that the United States has engaged in military intervention in Europe. The intervention was decisive and far-reaching. Germany was the strongest single European military power. Her strength was due, not only to superior numbers and to greater capacities for organization, but also to the homogeneous unity of her people. Germany might have won the war—or, to put it conservatively, would have fought a drawn battle—if the United States had not sent armies and great resources in support of the Allies. It follows that the present changes in the map of Europe are due to the intervention of the United States.

While the war and the treaties have thrown European countries into economic and social disorder, they have not permanently changed the inherent qualities of nations, or the relative capacity and strength of peoples. Such inherent national and race changes mean evolution over a long period of time.

The new treaties which, with a stroke of the pen, created new nations, carved up old Empires, cut ruthlessly the arteries of industrial and commercial life and created new, inexperienced nations at the expense of old, strong ones, cannot be permanently maintained in Europe without the military aid of the United States. If the treaties were to be permanently maintained, without strong military assistance from outside the European Continent, certain fundamental principles should necessarily have been observed in their drafting.

The territorial delimitations should have conformed approximately to the nationalities and the desires of the populations concerned.

The treaties should have provided for the maintenance of the economic life of the different nations in order that the peoples might continue to live in their countries without great migratory movements.

The treaties should have been acceptable as just and wise to a group of nations in Europe constituting the major strength of the Continent.

The spirit of President Wilson's Fourteen Points and his other utterances contained the bases of such a peace. Such a peace could have been attained only by frank and open discussion between friend and foe.

The Paris Peace Conference was not called to formulate the terms of peace between France and Germany so much as to redraft the map of Europe. The most important work of the Conference was not that which determined the claims and penalties to be imposed on Germany; it was rather the dismemberment of Austria and Hungary, the creation of

Poland, the new delimitation of the Balkan country and the proposed dismemberment of European and Asiatic Turkey.

In settling these questions, the Austrian-Germans, the Hungarians, the Bulgarians, the Turks and the Russians were not consulted. I have yet to find a representative of the American, British, Japanese, Italian, or even of the French missions, who does not frankly state that the peace settlements in Central and Eastern Europe were unwise and unjust.

It must be remembered that the new or the enlarged nations of Eastern Europe did not respectively attain independence or new territorial acquisitions by their own efforts, but had these thrust upon them by the Allies. The future, therefore, of these new or enlarged countries will largely depend on the forces outside their own nations and on the good-will of their neighbors.

Power of government and unity of a nation are matters of slow growth. It is not sufficient to declare the existence of a nation on paper; each nation must contain in itself the elements which will insure stability and unity and the possibility of existence. All the newly made nations in Central Europe will have a difficult time in consolidating themselves and conserving their integrity. They have within them either economic weaknesses or the seeds of internal disruption which will lead to conflicts with their neighbors.

I have spoken of President Wilson's utterances as the logical basis for permanent peace in Europe. They were more than that. These utterances were solemn promises, agreed to, by our Allies and our

enemies as the accepted basis of peace. Relying on this agreement, Germany laid down her arms. While our Allies were bound by this agreement a much greater obligation rested on the United States to see to its execution. Declarations by the President were made during the progress of the war. They were solemn public pledges to the peoples of the world concerning the aims of the United States in the war. These declarations had a wide effect on the psychology of the armies and peoples of our enemy, and undoubtedly on the rapid conclusion of the war. The abandonment of these pledges constitutes almost a cynical acknowledgment that they were mere subterfuges—tricks intended to deceive our enemy. The moral turpitude of such action cannot be too strongly pressed on every American.

It is well to enumerate the important points in the agreement made by the United States with her enemies as to the nature of the peace which we were to make. Small differences might have been passed over, but such differences as exist between the pre-armistice agreement and the treaties as drawn cannot be passed over in silence, for they constitute the fundamental causes of future wars.

On January 22, 1917, the President declared:

> No peace can last, or ought to last, which does not recognize . . . that no right anywhere exists to hand peoples about . . . as if they were property.

On February 11, 1918, Mr. Wilson asserted:

> There shall be no annexations, no contributions, no punitive damages. . . . "Self-determination" is not a mere phrase. . . . Every territorial settlement involved in this war must be made in the interest and for the benefit of the populations concerned and not as a part of any mere adjustment or compromise of claims among rival states.

In his speech of July 4, 1918, President Wilson urged:

The settlement of every question . . . upon the basis of the free acceptance of that settlement by the people immediately concerned, and not upon the basis of the material interest or advantage of any other nation or people which may desire a different settlement for the sake of its own external influence or mastery.

On September 27, 1918, he said:

The impartial justice meted out must involve no discrimination between those to whom we wish to be just and those to whom we do not wish to be just.

No special or separate interest of any single nation or any group of nations can be made the basis of any part of the settlement which is not consistent with the common interest of all.

There can be no leagues or alliances or special covenants and understandings within the general and common family of the League of Nations. . . .

There can be no special, selfish, economic combinations within the League and no employment of any form of economic boycott or exclusion, except as the power of economic penalty by exclusion from the markets of the world may be vested in the League of Nations itself as a means of discipline or control.

All international agreements or treaties of every kind must be made known in their entirety to the rest of the world.

In addition to these declarations, there are the Fourteen Points, the most important and definite of which are the following:

3. The removal so far as possible, of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to the Peace, and associating themselves for its maintenance.

4. Adequate guarantees given and taken that national armaments will be reduced to the lowest point consistent with domestic safety.

5. A free open-minded, and absolutely impartial adjustment of all Colonial claims.

6, 7, 8, and 11: The evacuation and restoration of invaded territory.

8. The righting of the "wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine."

13. An independent Poland is to be established of "territories inhabited by indisputably Polish populations," which shall be "assured a free and secure access to the sea."

From the pre-armistice agreement itself.

Compensation will be made by Germany for all damage done to the civilian population of the Allies and their property, by the aggression of Germany, by land, by sea, or from the air.

These declarations constitute a solemn agreement between the United States Government and the Allied Governments on the one hand and the governments of their enemies on the other.

Relying on this agreement, Germany and her Allies gave up a large portion of their armaments, withdrew from occupied territory held by them, and submitted to the military occupation by the Allies of large tracts of their own territory. On the strength of these assurances of the President of the United States, monarchs were dethroned and republican forms of government were instituted. Particularly in the dismembered Dual Monarchy of Austria-Hungary, friend and foe alike rejoiced in the dawn of a new era, when the rights of peoples should be adjusted according to the principles of equity enunciated by Mr. Wilson and accepted by all the Allies.

The treaties with Germany, however, and especially those with Austria-Hungary, Bulgaria and Turkey, constitute a gross breach of faith on the part of the United States and her Allies which rob all of us of the moral prestige which constituted our strength during the war.

When the American Peace Delegates came to Paris, they had behind them the power necessary to secure a peace substantially conforming to our agreement. They had not only the moral support of all the peoples of the earth, but without our material

support, the governments of Europe could not continue to exist.

That they failed was due to two causes:

First, our representatives were ignorant of the conditions in Central and Eastern Europe. Otto Bauer, the ablest man in present-day public life of German-Austria, said to me: "The reason that the treaties were badly drawn was on account of the ignorance of the American and in a measure of the British representatives about conditions in these countries. The French and Italians were much better informed."

Second, all decisions for the United States were made by one man. Not only was this perhaps an impossible task in itself, but this man's weaknesses in negotiations were as great as were his wisdom and farsightedness in enunciating the principles of lasting peace.

In this book I have ventured to enumerate the results of my observations in Central and Eastern Europe made during repeated journeys there since the armistice. These observations have led me to the conclusion that the execution of the treaties of peace in their present form will lead not only to the permanent economic decadence of Europe, but to future wars.

I have undertaken to point out not only the reasons for this conclusion, but also in a general way what seems to me a possible action by the Allies which might give to the nations an opportunity to become self-supporting and to live in peace with one another.

The bulk of the discussion of the treaty of Ver-

sailles in our Senate centered around those provisions of the League Covenant which directly affected this country and excluded any detailed or adequate discussion of the many provisions of the treaty themselves which contain matters of life and death to various European Nations and consequently make a prolonged peace of the civilized world impossible. We have an indirect but tremendous stake in that issue. The great war proved beyond question that it is an issue which we cannot escape, even under our previous policy of complete isolation.

It is probably too early to forecast the future with any accuracy. But certain vital obstacles to the survival of some nations and to the peaceful development of others are already apparent to the most casual observer. The United States has not yet determined upon its final action relative to the various treaties of peace. That action will, in all probability, be determined soon.

CHAPTER II

Secret Treaties

As I write, almost two years after the signing of the armistice, the front page of my morning paper is covered with the news of many wars in operation and in preparation.

All of these conflicts may be traced to the after-effects of The Great War and more especially to the work of the Paris Peace Conference in drafting terms of peace for the world.

There is the civil war in China now going on between those favoring Japan—those who would accept the Shantung decisions of the Peace Conference—and those who are opposed to the settlement of the treaty of peace which places China at Japan's mercy.

Again, there is the French expedition against Emir Feisal, a direct result of the division of Turkey under the Allies' treaty with Turkey.

Again, the Bolsheviks are united in a foreign war as a result of Polish nationalist imperialism.

Furthermore, the Italians have been fighting the Albanians and so have the Serbs.

The Jugoslav (Serbian, Croat and Slovene) State and Italy are eying each other in armed expectation of actual hostilities.

Moreover, Greece is fighting the Turks.

England is attacked by the Arabs in Mesopotamia.

Persia is in upheaval and British troops are retiring to the Persian Gulf.

From India to Morocco a Mohammedan upheaval threatens—one might enumerate indefinitely these conflicts, symptoms of impending chaos and disintegration.

If one examines into the causes of this chaos, it is found that they lie in nearly all instances in the spirit and terms of the secret agreements made during the war among the four Great Powers of the Entente. The influence of these treaties is little known to the Entente peoples.

It is my intention to examine briefly:

How these agreements or secret treaties were made at the expense of the freedom of the peoples for whom the Entente statesmen loudly declared they were conducting the war.

How these treaties have prolonged the war.

How they have maintained causes of rivalry and conflict between peoples.

How they are everywhere the generators of future wars whose consequences cannot be foreseen.

How they revealed the Entente governments' real spirit and purposes in fighting the war and in making the peace.

Up to November, 1917, governments and diplomatists alone knew of their terms. Journalists knew something about them, but could not publish what they knew. It was Trotsky who, when he took possession of the Russian Ministry of Foreign Affairs, found in the archives of that department the texts of these treaties. He published them in the official journal of the Soviets. As a result, these treaties were widely published and discussed in Germany and

the German government was able to show by them that the Allied governments, despite their solemn declarations that they were fighting for justice, liberty and the freedom of small peoples, were really pursuing aims of political imperialism. In Allied countries, on the other hand, there has been no wide discussion of the secret treaties and in these countries their real significance still remains hidden under a conspiracy of silence.

Trotsky had foreseen the uses which the Central Powers would make of the texts of these treaties. He therefore accompanied their publication with the following statement:

The political men and bourgeois journalists of Germany and Austria-Hungary will seek through the documents here published to throw a favorable light upon the diplomacy of the Central Powers. All such efforts on their part are destined to defeat for two reasons. First, because we intend soon to publish secret documents which will show up in its true light the diplomacy of the Central Powers. Second, it is evident that the methods of secret diplomacy are as international in character as the rapacity of imperialism itself. If the German proletariat, through revolution, reached the secret archives of their own foreign office, they would find documents exactly similar to those we here publish.

What then were these treaties, conventions and agreements made among the Entente governments? They have been called for the sake of simplicity the Treaty of London because a very important part of them were made in London on April 26, 1915, by Great Britain, Italy, France and Russia. As a matter of fact many of the secret agreements were made either before or after the signature of the Treaty of London.

Below I give the details of how the governments of the Great Powers of the Entente divided the more helpless part of the world, without the knowledge

not only of its own peoples, but also of the small Allies from whom they were accepting help.

England was to receive:

The neutral zone of Persia.
Southern Mesopotamia and Bagdad.
Haifa and Akka in Syria.
Eventually a portion of the German colonies.

France was to receive:

Syria.
The vilayet of Adana and other extended territories in Asia Minor including part of the Armenian border, where are the oil fields of Mosul.
Alsace-Lorraine and the Sarre valley with all the mining district and the whole of the old duchy of Lorraine.
Temporary occupation of the left bank of the Rhine with permission to make a mutual buffer state and fix such boundaries as she pleased.
Eventually a part of the German colonies.

Italy was to receive:

The Trentino.
The country of Gorizia and Gradisca.
Trieste and Istria.
A generous share of the Dalmatian coast.
The islands of the Istrian and Dalmatian coasts.
Valona and its neighborhood.
The islands of the Dodecanese.
Smyrna and its hinterland (this was changed to Adalia and a part of Asia Minor later).
Eventually new colonial territories in compensation for the German colonies which Great Britain and France should receive.

Rumania was to receive:

Transylvania up to the river Theiss.
The Banat of Temesvar.
The Bukovina.

Russia was to receive:

Constantinople and nearly the whole of Turkey-in-Europe.
The Bosporus, the Dardanelles, and the Sea of Marmora.
The islands of Imbros and Tenedos in the Aegean at the mouth of the Dardanelles.
Full liberty of action in northern Persia, including Ispahan and Yezd.

Trebizond, Erzerum, Van, Bitlis and other territories in Asia Minor.
A free hand in making the Russian western boundary.

Serbia and Montenegro were to receive:

The southern coast of Dalmatia.
Spalato, Ragusa, Cattaro, and St. John of Medua in Albania.
The eventual annexation of the north of Albania.

If one glances at the map, beginning at the French boundary and the Adriatic and reaching into the remote depths of Asia, one realizes the gigantic plan of imperialist gain which these treaties contained. One reading of this wholesale distribution of alien territory will show the flagrant political immoralities and the fundamental disagreements with every public declaration made by the Entente statesmen to their parliaments and peoples.

By these agreements the Allies each took its share of the domain of those it expected to conquer. In doing this they created new territories of dispute and brought under their sovereignty peoples whose annexation could in no way be justified. They did more; they agreed to seize the patrimony of races with whom they were not at war.

Thus Russia and Great Britain divided Persia; Italy took Valona and the control over part of Albania, the Greek islands of the Aegean, the Slav populations of Dalmatia and the Turkish people of Adalia; Japan laid hands on Chinese Shantung; Russia took Turkish Constantinople, the Greek Islands of Imbros and Tenedos and the Armenian country from the Black Sea to the Lake of Van; Great Britain took the Arabs of Mesopotamia and some of Syria; France took the Turks and Armenians and Arabs of Cilicia and Syria, the Germans

of the Sarre and old Lorraine, and was to have a free hand to regulate her eastern frontiers; France and Great Britain took the German colonies and practical control over all Germans west of the Rhine; Serbia was to get a slice of Albania.

The reasons for the making of these different secret treaties are evident. They do not, as might be supposed, constitute spontaneous conspiracies of governments devised to absorb the world. They were the logical sequence of the hereditary imperialism of the Allied governments, in pursuance of aims which each government had cherished for generations.

Defenders of the secret treaties give the following explanation. England had always been opposed to Russian aims concerning Constantinople. She did not desire to see Russia get an outlet on the Mediterranean. Nevertheless she found herself forced to make this decision. Since the days of Peter the Great and Catherine, Russia had coveted Constantinople. It was the natural outlet from the Black Sea in which Russia had been held bottled with the Turkish cork. There was in Russia a strong German party, especially at court. This party gained ground as it became apparent that the struggle between the Entente and Germany would be of doubtful issue. The lack of military cooperation between eastern and western fronts led to mutual recriminations. In February, 1915, the Russian government asked France and Great Britain to concede Constantinople and European Turkey to her in case of victory. To stimulate Russian zeal in the Allied cause, France and Great Britain granted these demands.

The apologists defend the treaties by saying that, having granted Constantinople, Great Britain must take steps to protect herself east of the Suez Canal; that if Constantinople went to Russia, then Turkey would be divided and that in the division of Turkey, Great Britain must protect her own interests. She sought control of the Holy Land as being too near Suez and Egypt to allow foothold to any other power. She sought Mesopotamia because the Bagdad road, the highway to the Far East, must belong to her, since it led to her possessions. To secure Mesopotamia and the Holy Land, Great Britain gave Syria, Cilicia, and a large strip of Kurdestan to France. France always had a predominant influence in Syria which, her statesmen felt, reached back to the Crusades. Great Britain also had to arrive at some arrangement with Russia concerning Persia. Russia was willing to give to Great Britain rights of control in southern Persia, provided she got Constantinople and northern Persia.

In further defense of the treaty it is said that when Italy agreed to enter the war on the side of the Allies, some of these secret treaties had already been made. There was talk in the Chancelleries about the secret agreement which gave Constantinople to Russia. All this diplomatic talk stimulated the appetite of the Italian government. Italy's demands in the Adriatic, in the Aegean and in Asia Minor were granted by the British and French governments in order to get Italy into the war.

The secret treaties, even with their imperialism, had this excuse, they were made with the intention of holding the Allies together in an emergency which threatened their very existence.

The imperialism of Tzarist Russia set the pace for the other secret treaties of the Allies. The apologists cap this statement with the declaration that without the secret treaties Italy would never have entered the war, that Tzarist Russia would have made a separate peace with Germany and that the war would have been lost for the Allies. Let this defense stand. It nevertheless remains true that, but for the entry of the United States into the war, the secret treaties would have been only the consoling dreams of defeated diplomats.

In February, 1917, the Tzar's government fell. In April the United States entered the war. In December the secret treaties were published to the world.

With the fall of Russia the last excuse to justify the secret treaties fell to the ground. America demanded no concessions for her entry into the war. England need fear no longer for her dominions. As war progressed, it became evident that great social changes were operating within nations which would profoundly alter their interrelationship.

The declarations of President Wilson indicated a direction which these changes might take in international affairs. In 1915 and 1916 many of us knew of the existence of the secret treaties, especially of that which gave Constantinople to Russia. In 1916 my friend Stanley Washburn, the American war correspondent in Russia of the London Times, urged British statesmen to make public the agreement by which Constantinople was given to Russia. It seems incredible that, when correspondents were discussing the secret treaties, the United States government should be in complete ignorance of their

existence. Yet President Wilson has stated that he did not know of these treaties.

The United States might well have made, as condition of her entry into the war, the abrogation of all previous agreements. She neglected this opportunity.

Another chance arose when the pre-armistice agreement was made in November, 1918. It again became the duty of the United States to investigate these treaties for they had been known to the world since November and December, 1917.

When the war ended, the political conditions which existed at the time the treaties were made had changed. Many reasons which influenced the framing of the secret treaties no longer existed. All of the Allies were so exhausted by the war that it became extremely dangerous for them to attempt military occupation or expansion in alien lands.

Moreover, at the time when the Secret Treaty of London, which brought Italy into the war, was signed, the Allies did not contemplate the disintegration of the Austro-Hungarian empire. Baron Sonnino, the Italian Minister of Foreign Affairs, did not wish the division of Austria-Hungary because he feared the union of the Croats, Serbs and Slovenes into a strong Jugoslav state. The Treaty of London was almost made to forestall such a union. For this reason Italy, in the treaty, gave Fiume to Croatia, then a province of Hungary. Without a port on the Adriatic, the existence of the Austro-Hungarian Empire was almost an impossibility. The end of the war, however, brought about the union of the Croats, Slovenes and Serbs. Then it was that Italy

should have changed her policy to conform to the new situation. She should have decided whether she was to have a friend or a foe in the new state of Jugoslavia. Nevertheless her delegates were bound hand and foot by the Treaty of London. This treaty of itself determined the hostility between the two nations. Before the war the relations of Italy to Serbia were rather friendly. Italy had refused to join Austria in an attack on Serbia in 1913. She had also shown willingness to assist the Entente in securing an outlet for Serbian products to the sea by means of a railroad from the Danube to Valona on the Adriatic. All other Allied nations at the Peace Conference looked upon Jugoslavia as a friendly nation. Thus the Treaty of London also produced a break between Italy and her allies.

Furthermore, when France and Russia made their agreement about the Sarre and the west bank of the Rhine, there was no idea of making an independent Poland, attached to which would be the coal fields of upper Silesia. These coal fields produced a third of all the German coal. No plan was discussed among the Allies of weakening Germany still further by the separation of East Prussia. Yet the French delegates at the Paris Conference remained bound to the ideas of the Russian agreement; apparently they did not see that decisions concerning eastern Germany had direct relation to decisions concerning the western frontier. But the French delegates ultimately insisted on terms in the treaty which one day will bring France into disagreement with her Allies concerning Germany's economic situation. With the abandonment of Constantinople by Russia, the danger to the British Empire at Suez

and Egypt disappeared. Nor was the Bagdad road a link in the chain for world conquest, it appeared; the military occupation of Mesopotamia was likely to bring some resentment against the British Empire for world-greediness. Her doings in Persia have been subjected to the same criticism and have brought revolution closer to the British dominions. Weakened as she was by the war, Great Britain's new acquisitions under the secret treaties had become seemingly a burden rather than a benefit.

Finally there was the division of Austria-Hungary into small states, and the weakening of Germany changed the situation in Mittel-Europa.

What great changes there are now making in the political and social structure of the world, it is impossible even to estimate, but such a time was certainly badly chosen by the representatives of democratic nations to remain shackled to the old order by obsolete secret treaties.

Whatever the effect of these treaties on the Allies during the early part of the war, it is no exaggeration to say that, after they became known, they prolonged the war—just as it is also true that the war aims, enunciated by the President of the United States, hastened the end of the war.

Carefully hidden from the peoples of the Entente, the secret treaties were published and discussed far and wide in the Central Empires. They were used by Pan-Germanists and the militarists to revive the energy of the people in hours of depression. Whenever the peace party in Germany seemed to be gaining ground, or whenever the people showed lassitude, the militarists brandished these treaties and with

them rallied the public opinion to their support. They could use the secret treaties to show with apparent finality that they were fighting a war of self-defense against imperialists who desired the dismemberment and destruction of Germany and her allies.

On the other hand the secret treaties justified to the Germans their own desires for annexation.

On November 28, 1917, the Berlin Kreuz-Zeitung (The Gazette of the Cross) said:

If the destiny of war had turned against Germany, her enemies would have torn from her the colonies of Alsace-Lorraine, all the left bank of the Rhine, Eastern Prussia, Posen, and Silesia, not to mention a war indemnity.

The German Socialists have been accused of giving too ardent support to the war and of not protesting against the aim of their government to annex occupied territory But were they none the less justified in their statement published in the Berlin Vorwärts of November 28, 1917?

Certainly the policy of Germany is subject to criticism, but the revelations of the secret treaties must strengthen our resolve to defend our country against such enemies.

What is to be said of an agreement like that by which France and Russia give each other mutual freedom to devour as much German territory as they see fit?

This phrase alludes to an agreement concluded between France and Russia. M. Isvolski, Russian Ambassador in Paris, had obtained from the French government through M. Briand, assurances according to which the Russian Imperial government and France mutually recognized their right to act in all freedom in determining their future frontiers with Germany. This agreement is defined in two notes sent by M. Isvolski, to M. Pokrovski, Russian Min-

ister of Foreign Affairs, M. Sazonoff's second successor. An extract from the note of February 1/14, 1917:

1. Alsace-Lorraine will have to be given back to France.
2. The French frontiers will extend at least up to the boundaries of the ancient princedom of Lorraine and their drafting will be left to the discretion of the French Government so that this latter could satisfy its strategic needs and incorporate into the French territory all the region of iron mines and all the coal regions of the Sarre.

Extract from the notes of February 26—March 11, 1917.

The government of the Republic . . . eager to assure to its Ally all the desirable guarantees, in a military point of view as well as in a strategic, for the security and development of the Russian Empire, recognizes Russia's complete freedom to determine at her will her western frontier.

The Entente's desire to follow up the war and not to allow anyone to interfere in its war aims is very clearly shown in the Treaty of London, of April 26, 1915, signed by Sir Edward Grey, M. Jules Cambon, Baron Imperiali and Count Beckendorf. Article 15 says:

France, Great Britain and Russia agree to give their support to Italy by not allowing representatives of the Papacy to take any diplomatic steps tending to bring about peace, or attempting to regulate questions related to this war.

Does not this clause throw some light on the Papal policy during the war?

Twice, when Austria made advances for a separate peace with the Entente, the claims of Italy under the secret treaties made negotiations impossible. For this reason General Smuts failed in January, 1917, in Switzerland and the conference at St. Jean de Maurienne rejected the Emperor Carl's proposals.

It is not only that during the war the secret

treaties have had disastrous influence. During the war, in the face of the enemy, the Entente Powers were obliged to observe a certain measure of unity. But when peace came, each government resumed more or less its freedom of action. Then unbounded ambition came to the fore. It became necessary to inform Allies like Greece and Serbia of agreements of which they had been kept in ignorance. Then it was that Greece learned that, at the very moment when the Allies were urging her to join them, they were agreeing to give to other nations territories which the Greeks had coveted for centuries, for instance, Constantinople and European Turkey to Russia.

Moreover, Serbia discovered that Italy was to get the coast line and islands of Dalmatia, which had become toward the end of the war one of the chief war aims of the Jugoslav.

Furthermore, Poland learned that its destiny had been decided in diplomatic correspondence between the Russian and French governments. On February 24, 1916, M. Sazonoff, Russian Minister of Foreign Affairs, telegraphed thus to the Russian Ambassador in Paris:

> It is particularly necessary to insist that the Polish question be excluded from all international discussions. It will not be tolerated that Poland be put under the guaranty and control of the Powers.

This statement brought a clearer understanding of the French and Russian agreement of February 26—March 11, which I have mentioned, wherein a free hand was to be allowed each nation in determining its frontiers with Germany.

China finally discovered that the violation of her

sovereignty in Shantung, wrung from her by German threats, was to be perpetuated by a grant to Japan.

Although the secret treaties had predominant influence in the Paris Peace Conference of 1919, they must not be confused with the treaties of peace finally drafted by that Council. The spirit and texts of two entirely different agreements contended for supremacy at that Conference. The first was the secret treaties of which I have been speaking, made by the five great allied powers, Great Britain, France, Italy, Russia,* and Japan during the war. The other contained President Wilson's Fourteen Points, agreed to by the Allied and Associated Powers and by Germany, as the basis of peace before the armistice was concluded. The first kind of agreement represented the real war aims of the Allies. The second was a compendium of the purposes of the Allies as expressed in their public speeches during the war. These had been formulated by the President of the United States in his Fourteen Points and his other declarations. But the secret treaties won out and formed the basis of the five treaties of so-called peace drafted by the Paris Conference.**

Yet at the opening of the Conference, the Ameri-

* The clauses concerning Russia were not carried out only because Russia was not represented at the Conference.

**It might seem that in giving freedom to Poland and the nations of the old Austro-Hungarian Empire, the letter and spirit of the Fourteen Points were observed. That is only partially true. Dominion by force was the keynote of the Secret Treaties. The Peace Conference, in creating the new friendly nations, did not do so primarily on the principle of nationality. It outlined these new countries with the purpose of making the friendly ones strong through mutilating the so-called enemy countries.

can peace delegates innocently believed that the Allied statesmen would cooperate in making terms of peace to conform with the agreement on the Fourteen Points just because they had induced Germany to accept armistice terms relying upon this agreement. Prior to the Peace Conference in Paris, I talked about this situation with Colonel House. He told me that the secret treaties had been abrogated by the subsequent pre-armistice agreement of the Fourteen Points. I asked him whether he had any assurances that the British, French and Italian governments agreed to this abrogation. He answered that he had not, but, that as the two agreements were contradictory, the latter must stand.

As a matter of fact, wherever the text of the secret treaties came in conflict with the Fourteen Points, the former always prevailed. Wherever the text did not apply, the spirit of the secret treaties invariably prevailed over that of the Fourteen Points.

I do not mean that there was no struggle between the two conflicting views in the Paris Peace Conference which convened in January, 1919. There was even an effort to reconcile the appetites of all the victors, as partially described in the secret treaties, with the right of nations to govern themselves, which was the fundamental doctrine of the Fourteen Points. But the problem was impossible of solution. It may be explained by the following facts:

The incidents of disagreement and confusion which took place at the Conference, including the impossibility of agreement on such questions as Fiume.

The impossibility for the enfeebled Entente to enforce peace in Europe by the methods which the five treaties demand.

The general dissatisfaction shown by all peoples with the work of the Conference.

The terms and spirit of the secret treaties have been made permanent in the five treaties of peace drafted by the Paris Conference and by the agreements of the Allied and Associated Powers concerning these five treaties. Their evil influence on the conditions of peoples is everywhere shown in Europe to-day. Let us examine the conditions of the different nations of the Entente.

In the first place, the rapacity of each nation, stimulated by the application of the secret treaties, has engendered mutual distrust and suspicion among the nations. The alliance which stood firm during the war now threatens to dissolve in petty quarrels over the division of the spoils. There is still a superficial appearance of unity of purpose, but more and more suspicion and distrust, often unfounded, is moulding the opinion of public men and nations. There is an almost universal feeling that the official declarations of statesmen must not be relied on and that the truth must be sought underneath—in the secret intrigues and machinations of different governments. For instance, Italy believes that Great Britain and the United States have received economic concessions in the port of Fiume from the Jugoslav government.

The situation of France is growing more and more unsatisfactory. The treaty with Germany almost compels France to seek its enforcement with arms if she is to obtain the benefits which should accrue to her under it and of which she is in pressing need. Her public men believe that if she yields an inch a

precedent will be set by which Germany may succeed in abrogating the whole treaty. Germany was tricked into accepting the terms of armistice. Relying on the Fourteen Points she surrendered part of her armament; she evacuated occupied territory; she submitted to the occupation of German territory. A consequent hatred of France has been developed in Germany which exceeds that of France for Germany after the war of 1870. Germany is simply biding her time for revenge—that is the belief of the public men in France. For self-protection France must down her enemy and keep her weak. The treaty with Germany provides for the military occupation of the left bank of the Rhine as a threat of further military occupation to enforce the other terms of the treaty. The military enforcement of a treaty is not peace, it is war. The military enforcement of economic clauses is a contradiction in terms, for one prevents the other. The determination of the French government to use armed force to secure from Germany the execution of the treaty will produce confusion in Germany and prevent the economic reestablishment of that country.

Great Britain and Italy want above all things the economic rehabilitation of Germany. Therefore France's attitude is alienating her friends more and more. Yet that attitude is perfectly justified by the terms of the treaty with Germany.

This situation is complicated by the war in Poland. The French Government developed a policy in Central and Eastern Europe which would, it believed, meet the conditions created by the German treaty. The Government planned to encircle Germany with a

cordon of hostile Allied states. Poland was to be made a big buffer state between Russia and Germany. For this purpose her armies were organized by a large French military mission and Poland was encouraged to encroach upon her small neighbors. In this way she surrounded herself with enemies.

Later I will speak of the relation of the French government to the new countries carved out of the old Dual Empire of Austria-Hungary. It is sufficient to say here that French military policy in respect to Germany and the French diplomacy of strategy in insisting on a hostile cordon of nations is gradually alienating the sympathies of those small nations from France. All those nations need and must have economic support from without. They want German commercial cooperation and can only get it through an orderly Germany with whom they can do business.

Furthermore, France finds herself in an unfavorable situation in the Near East. She has already been obliged to give up the coveted oil wells of Mosul to Great Britain and for this, bears a grudge. The whole Mohammedan population, moreover, of Syria and Cilicia is in armed revolt against her. I am told that France has 100,000 men there and that it has already cost her over a billion francs to hold this gift made to her under the Secret Treaties. The French no doubt can pacify Syria, but the drains on her exhausted resources are a serious burden to her financing.

Italy, loaded with gifts by the Secret Treaty of London, finds that she does not want all of them. But she dare not let go lest the whole Treaty fall to

the ground and she be left only the heritage of the hatred of other nations, won for her by her insistence on the execution of the Secret Treaties. Those which give to Italy the greater part of Dalmatia also bind her to hand over Fiume to Croatia. Such an agitation has been conducted by the Italian Propaganda Department in favor of the annexation of Fiume that it has been quite impossible, in view of d'Annunzio's occupation of the city, for any government to surrender it and still remain in power. If, however, the Secret Treaties are abrogated by Italy herself, by refusing Fiume to the Croats, then the whole question of the Dalmatian coast, inhabited by a majority of Jugoslavs, would automatically be open to discussion. If the Jugoslav government has, up to the present, shown little disposition to take military action to assert her rights in Dalmatia, it is on account of the weakened condition of Serbia by reason of the war and the interior political complications due to the amalgamation of three nationalities, the Serbs, the Croats and the Slovenes, who have never before lived in political union. The future promises an armed conflict between Rome and Belgrade.

Further south, Italy has already given up her claims to Valona and has made a treaty with the Albanians guaranteeing the integrity of Albania. In the Levant, an agreement has been reached regarding the islands of the Dodecanese, whereby Italy relinquishes the islands she has recently occupied. (These she holds as security for the execution of her treaty with Turkey closing the war in Tripoli—1911) except Rhodes where a plebiscite will take place in fifteen years. All these islands are inhabited by

Greeks and by right belong to Greece. They constitute a source of conflict between Athens and Rome.

Already the antagonism between Greece and Italy has shown itself in Asia Minor. When, in 1919, the Greeks occupied Smyrna and advanced into the interior of Anatolia, shots were exchanged between the two forces.

Hence the Secret Treaties have assured to Italy the enmity of the principal states which make up Jugoslavia and of Greece, enlarged and strengthened.

Nor do the secret treaties leave Great Britain relatively in any better condition than they do her Allies. The control over Persia exercised by the British has aroused the hostility of that country and has enabled the Bolsheviks to stir the discontent into open rebellion. The British troops were forced to retire to the Persian Gulf. In Mesopotamia the Arabs have risen against the British occupation and have jeopardized Great Britain's control of that country. As I have said before, the dispute between France and Great Britain over the former Turkish areas to be included in the domain of each nation, has been one of the elements which is now enfeebling the Franco-British friendship.

If the portions of Turkey were to be taken over simply to keep order, because the peoples are incapable of doing so, the question would be different. If such had been the purpose of the Allied governments, they would have volunteered to take over Armenia and give it quiet and rest. The real objects of the Allies in grasping the ruins of Turkey are twofold: First, to obtain the control of the riches which the development of this country will produce, and, second, to secure strategic positions which will

assure the integrity of the rest of their empire. Thus we find France and Great Britain squabbling over the oil fields of Mosul.

It is said that at Spa a deal was made between France and Great Britain by which France got permission to occupy Damascus and to oust Emir Feisal in exchange for which Great Britain receives a predominant influence in the Dardanelles.

This whole question of the division of Turkey, provided for by the secret treaties, is full of danger to Great Britain, France and Italy. The religious feelings of Mohammedans the world over have been aroused. They view the division of Turkey as another crusade of Christianity against Islâm. How far this movement will go it is difficult to tell at present. It is possible, however, that a holy war might bring an uprising of native populations from India to Morocco. In their enfeebled and impoverished state the Allies are in no condition to cope with such an uprising. In sporadic uprisings no doubt the British, French and Italian armies could defeat any ill-equipped Mohammedan force, but the united revolt of all the Mohammedan people against foreign rule would be quite a different matter.

I have said that it is difficult to estimate how far the Mohammedan education has gone or will go. In Turkey it is a real thing against which the British, the Greek and the French armies are in Mesopotamia, Anatolia and Syria respectively. In Egypt agitation has reached such a point that the British Government is negotiating with the Nationalists, and Egyptians say that they have now been granted autonomy. The Indian Khalifat Delegation informs me that the Mohammedans of India have come to

an agreement with the Hindus, the program being at present one of passive resistance. The Delegation's object is to reestablish the Turkish Empire and a larger degree of autonomy for India. The plan is, first, that all Indians of importance shall resign the honors conferred upon them by the British Empire; second, that all Indian Government officials shall resign; third, that Indians shall leave the army in a body. It has been said that the Indian Khalifat Delegation has no important following; future events alone will show how great a hold the movement has secured over the people in India. The Montagu report, made by one of the ablest British officials, seems to indicate that the danger there is real; this report advocates the gradual development of self-rule for India.

In this chapter I have thus tried to outline, some of the misfortunes, past, present and to come, which the secret treaties have loaded upon the Allies' shoulders.

CHAPTER III

Psychological Effects

Another aspect of the treaties is their indirect, subtle but deep influence on the peoples of Europe. This influence, combined with the after-results of war, threatens the stability of civilized institutions everywhere.

The reactions from the Treaties are so diverse, indirect and interwoven with the effects of the war itself that the connection has escaped general comment in the publications of Europe.

The story really begins with the war

For many years before the war Germany had taken a leading part in the intellectual organization of modern industrial life. Germany represented the greatest unified effort in this development.

With the war it became apparent that military organization, with its inevitable aims, furnished the power for the system. The war proved the failure of the system because it showed that, in the end, the German organization led to the destruction of the very political, economic and social structure it aimed to uphold.

The world at large unconsciously imitated this German system. The failure of this system brought home to the peoples of the earth the failure of modern civilization as typified in this highly developed German form.

Germany was the most thickly populated of any

of the greater civilized nations. Her system therefore attempted by compact and unified effort of the most complicated character to solve the problem of increasing population. The result showed that, in the end, this system only led to disaster.

During the war the leaders of the Entente endeavored to stem the tide of world-wide disbelief in modern governments and civilization. Perhaps their immediate motive was to maintain the morale of their own people and hold their armies together. In the end, however, the object was to convince the nations that Allied civilizations and governments were of a wholly different character from the German.

They emphasized and exaggerated the democracy of Allied governments and institutions. They declared repeatedly that one aim of their governments and institutions was to promote the welfare of all the nations of Europe to bring about an era of freedom and justice in the interrelations of peoples.

When the United States entered the war, a new spirit of hope arose in the hearts of the peoples. This hope was given form by the utterances of the President of the United States. It was finally crystallized in the agreement of the Allies to the President's Fourteen Points and his other utterances, as a basis of peace.

When, however, the Allies failed to embody in the Treaties the principles which they had enunciated and agreed to, a profound pessimism swept over the world. Men saw that the same old principles and methods were applied as those for which Germany was the most logical and able exponent.

The Treaties proved to the great masses of mankind the bankruptcy of human intelligence in the directive powers of the world's affairs. In each nation a different set of facts led to this impression. But the same result was obtained almost everywhere.

The Treaties were the most voluminous the world had ever seen. The Treaty of Bukarest, which settled the Second Balkan War, contained 2,500 words. The German Treaty alone contained between 70,000 and 80,000 words.

Never before had such an attempt been made to regulate the internal affairs of beaten nations by such a wealth of foreign government control; of commissions, restrictions, regulations, and intermixture in the internal affairs of conquered nations. Many details of these Treaties brought out the hypocrisy and insincerity of the makers. Too many articles breathed a determination to perpetuate the reign of hate and conflict by nailing down in detailed terms treaties of tyrannous subjection. This the Paris Conference did in the face of its pledged agreement to make treaties of reconciliation.

It was most profoundly discouraging that, wherever the treaties were applied, their childishness and incompetence were brought to public attention. The form was wonderful, but the substance impressed the victims with its inconsequence and irresponsibility.

In reading the treaties one runs across some provisions which suggest that those who formulated them had retrograded intellectually to the second period of youthful irresponsibility. No doubt much of the trouble lay in the fact that four men attempted

to make decisions on all the intricate points of the most intricate and voluminous of treaties. For instance, one reads that Hungary is to give wood to Austria. But Hungary, under the Treaty, is deprived of its forests. Austria, which has few cattle and very many thousand of whose children are being fed by American and British charity on condensed milk, is to give cattle to Jugoslavia and Italy, when Jugoslavia had such an abundance of cattle that she is even now exporting them to Italy.

It would almost seem as if naughty children had provided the highly complex method of getting a great deal more money out of Germany and Austria than they originally agreed to take. However, when you examine the facts, you find that the money they are to get as rehabilitation money is mostly play money that does not exist. Their machinery of control is so complex and cunning that it will defeat its own end by preventing the Germans from acquiring the wealth with which to pay. Much of the real money the Allies are to get will be absorbed in paying for the military occupation of German territory. This military occupation is aimed to protect them against the danger which will come into existence only when the occupation ceases, that is, when Germany is able to pay her debts. And the army of occupation, if it attempts to enforce the terms of the Treaty over a term of years will rob France of her most precious possession, the friendship of the world.

In spite of fantastic propaganda to the contrary, it is most improbable that Germany could attack France for ten years at least. Germany gave up great quantities of her armament on and after the

armistice. She has not disbanded the army to the extent required by the Treaty. But such disarmament was required in contemplation of the disarming of all nations under the League of Nations. On the other hand, the new territorial delimitation of nations makes the disarmament of Europe impossible. Nor is there any indication of any tendency in the direction of disarmament.

The treaties have made new Alsace-Lorraines. To maintain the new territorial boundaries armed force will be required. The League of Nations cannot prevent these conflicts because the League depends for its effectiveness on the good-will of peoples. Such good-will cannot be reached when the principal thought and object of nations is the liberation of their co-nationals. If, under the treaties, the League of Nations is entitled to alter territorial boundaries fixed by those treaties, it can do so only by the unanimous consent of those nations not concerned in the dispute.

But each one of the great and small powers is associating itself with groups of other nations, new and old. In some cases the new treaties of alliance are already on paper. Each nation, therefore, will have a selfish interest in any proposed territorial alteration which comes before the League for consideration.

French diplomacy since the armistice leads her to support Jugoslavia, Poland, Czecho-Slovakia and Rumania. Italy's antagonism to the Jugoslavs on the Adriatic is leading her slowly to the support of Austria, Germany, Hungary and Bulgaria. England is pursuing a policy between the two. She wants to

reestablish the markets of Central Europe as an outlet to her commerce; on the other hand she seeks associations which will protect her widely spread dominion from Cairo to Singapore.

To-day the life and welfare of large bodies of peoples require the close commercial and industrial cooperation, if not economic federation, of the descendant countries of the old Dual Empire. Members of nearly all foreign missions in Austria and Hungary have told me that the whole power of a united Entente could not bring about that union. It would require military subjection of the country to do it. How much less would it be possible to deprive, without the use of force, one of the new nations of territory which has already been assigned to it by the Treaty? There can be no hope of solution, it is evident, in the territorial disputes, by an appeal to the League of Nations.

It becomes clear that the League cannot change the objectionable features of the Treaties. Of necessity its efforts will be made by armed force to accomplish these changes. The armies of Allied countries must, therefore, be maintained if the Treaties are to be enforced. The French recognize this truth for they have sent large military missions to all the new countries with which they expect to be allied. The present Polish army was organized by a very large French mission.

But these new armies are not to be used solely to enforce the Treaties; contemporary events prove that they are also to support the policy of the new alliances. Polish armies have been fighting an imperialist war of interference in the internal affairs of Russia. Incidentally they are also fighting to

assure the ultimate collection of Russia's debt to France.

During my stay in Poland in February, 1919, French general officers told me that Poland was best fitted to make war on the Bolsheviks. The Poles were less subject than any nation in Europe to Russian Bolshevik propaganda. Russia's tyranny over Poland had taught every Pole to hate Russia and everything Russian. Therefore Poland was a good instrument to carry out the French policy against the Bolsheviks.

The peoples of Europe view with horror the fact that their governments have made treaties which demand large armaments. The greatest war of the world is finished and the soldiery of the victors are not glorifying themselves. The higher the civilization and the greater the democracy of nations, the less the people want war. The greatest folly of these Treaties, which compels militarism in Europe, is that the victorious peoples, whose governments are responsible for the Treaties, will be the first to rebel against the maintenance of the armies necessary for their enforcement. In vain will the military caste struggle to uphold its system. In countries of long-established democratic tendencies, its efforts will be unavailing. Already the Italian people have rebelled and have frankly said that they will not fight. In France units of the new military classes have refused to serve outside the country or even in the occupied regions. The French Staff is now evolving a plan for a colonial army of five hundred thousand black men. Soon the French Government will have to explain the expenditure of seven hundred

million francs to sustain its hundred thousand troops in Syria and Cilicia whose control will have to be military. The question has already been asked in the Chamber of Deputies: What advantage to the French nation can Syria and Cilicia bring except to international financiers? France has not the means to develop this country. Her means do not suffice even to develop Morocco. There is a great cry in the French imperialist press in favor of the acquisition of the oil fields of Mosul. Yet at the same time the new oil fields in Morocco and Madagascar have been given to a British company. These are some of the inherent childishnesses of the Treaty.

And these conditions suffice to explain the unrest of peoples. It is not Bolshevik propaganda that is responsible primarily; it is the failure of the brain power that controls the destiny of nations which has driven men to seek light elsewhere.

When the governments failed to supply the principles which promised to establish rules of equity among nations, a curious phenomenon took place. Individuals and groups began to interpret these principles in their own way.

The principle of self-determination was applied by the Peace Conference in a capricious manner and only where it answered the interest of the victors. It became consequently almost a subject of ridicule. The principles escaped from the control of those who should have formulated the bounds of its orderly application. Self-determination has become the right of every individual to do what he pleases and to get what he can. So the example of governments has found satiric echo among the people. Violence, dis-

order, speculation, extravagance, corruption and disruption have run riot to-day in Europe. For the moment the hope of mankind, in directing the thought of the world, has been broken by the war and by the peace.

The great men of the war are no more. Wilson is no longer the beloved prophet of liberty and democracy. Clemenceau has fallen from his pedestal of unflinching, steadfast heroism; hated in other countries, they are beginning to sneer at him in France. Lloyd George, from being the great statesman-figure which led the might of Britain in its fight for democracy and the freedom of peoples, has become in the public mind a political mountebank who juggles with the interests of the people with amazing dexterity.

Such are the present judgments of the men on the street.

CHAPTER IV

The Peace Conference: The Conduct of the Conference

At the Paris Peace Conference there was a council of ten delegates, which passed on all questions. This was reduced to five, then to four, and at times to three delegates.

The Council of Five, reduced the number to one each from Great Britain, the United States, France, Italy and Japan.

Japan withdrew on many questions and finally, at a critical time, so did Italy.

As the dictatorship narrowed itself down from a Council of Ten to one of Five, of Four, of Three, the meetings became less formal. Decisions had to be unanimous. If no agreement could be reached on the subject under consideration, some one proposed a new subject for discussion.

The Council seems to have taken up different questions in a rather haphazard way and to have jumped from one subject to another with little apparent method. Its committees of experts worked on each subject and reported to the Council whenever they reached conclusions or were called upon for advice.

Owing to events which happened in various parts of Europe, many unconnected questions arose for solution, such as the hostilities between Germans and Poles in Posen or the invasion of Hungary by

Rumania. Consequently, there was injected into the discussions of the Council a heterogeneous mass of unconnected subjects. I cannot imagine a situation which would create more confusion in the minds of the delegates, especially ours, to whom most of the problems were new and unreal. It was impossible by such methods to get any view of the interrelationship of what was done.

As to the amenities of the sessions of the Conference, a young American college graduate, who, as secretary attended the meetings of the Council in its latter days, told me that the gatherings were quite jovial. M. Clemenceau cracked jokes to which the others responded.

The story is current that one day, quite unexpectedly, Signor Orlando was called upon to speak about Fiume. Italians say that Orlando, though an orator, has no technical knowledge of the details of questions. One of the Italian mission compared his two chiefs in this fashion: "Orlando speaks incessantly in all the languages he does not understand and Sonnino is silent in all those of which he is master." In the present instance, my Italian friend told me, Orlando, lacking the facts, launched into a passionate appeal. Lloyd George, in impatience, rather than interrupt the speaker, scratched a few questions about the economic conditions of Fiume on a piece of paper and handed it to the Italian Premier. Orlando took the paper at the moment of his most impassioned appeal. Tears were in his eyes. In his excitement he grasped the paper without reading it and crumpled it in his bent fists. With it he beat the table in the last throes of his peroration. He did

not answer Lloyd George's questions, forgot about the paper and left it crumpled on the table. There a servant found it and on the following morning M. Trumbitch had delivered to Lloyd George a paper containing every one of the (Jugoslav) answers to his questions.

Had there been any adequate publicity of the proceedings of the Conference, it would at once become evident, even to the delegates themselves, that no permanent solution of all the questions involved could be reached by the Council's somewhat offhand methods.

Not only was the Conference closed to the public; it was also closed to many of its own representatives. The small nations were excluded from the Council except in cases concerning their own affairs and were ignorant of its doings.

The historical and hidden proceedings of the famous Council of Ten in the days of the Venetian Republic were not more secret for those times than were the meetings of the Council of Five of the Paris Conference for the Twentieth Century. The comparison is not so inept as might appear. Quite innocently the Council of Five frequently reached as cruel decisions in regard to peoples as the Council of Ten made in regard to individuals in Venice back in the Twelfth Century.

A striking example of this similarity is the decision of the Council of Five concerning Austria, condemning thousands of children to starvation, from which they were saved only by the action of the Hoover Food Commission and American and British charity.

There were no adequate stenographic reports of the meetings of the Council.

At the present moment there is considerable controversy as to the exact nature of those records.

The fact that we do not yet know what records were kept impresses us all the more with the extent of the secrecy practiced.

In these days, when little important business is transacted without the presence of stenographers, the method of the Paris Peace Conference constitutes the most astonishing procedure of secrecy of modern times. The method was practically that of a small literary society where the secretary writes a very general report. Historians will have no record on which to base complete and accurate conclusions. The impressions of the people who attended the Conference will all be tinged by their individual viewpoint.

This Conference was the meeting of the heads of the great nations, as judges, passing on the destinies of millions of people. There is no complete record of their proceedings, and, what is more, neither did they hand down their judgments with the reasons for their findings.

Thus the truth concerning the Conference will probably never be known. Every precaution was taken to prevent the discussion from reaching the light of day. Before the Conference opened, I had asked Colonel House what stand the American delegates would take on the question of "Open covenants openly arrived at." He told me that our delegates would demand an open discussion, but that they would not make the question a condition of American participation in the Conference. To me

this seemed the first great mistake of the American delegates.

From that moment anything like international understanding of peoples became impossible. The delegates might compromise, but the nations would not understand.

In the absence of open discussion, the press of each country was manipulated by the government of that country to present only its side of each question. The news of the doings of the Conference filtered through the delegation of each nation in a distorted form. Scandal, rumor and half truths were projected before the visions of the different publics concerned.

The American press representatives made a fight for open hearings at which the press should be present. As an alternative, they asked for stenographic reports of the proceedings of the Conference. Both requests were refused in an answer which, according to some of my co-workers, bore indubitable signs of being in President Wilson's style. This answer said that the deliberations of the Conference were more in the nature of a cabinet meeting than of legislative proceeding. Such a statement showed lack of vision, for the proceedings of the Peace Conference were in the nature of a constitutional convention or the session of a court of appeals, in which each side presented its case and the judges rendered a verdict.

The American press representatives also used to confer with one or more of the American Peace delegates every day. Press bulletins were issued to the American press on such matters as President Wilson desired to be made public. It often happened

that the newspaper men informed the American delegates who did not attend the Council meeting, what action the Council had taken.

No one in the Conference seems to have realized that its decisions should not be permanent unless accepted by the peoples concerned. It was the people who must be convinced, not the delegates. This truth is proving itself by the chaos which the treaties are making permanent. It was proved even more forcibly during the Conference itself. The delegates were largely influenced by public opinion at home. Mr. Wilson had to contend with it. Lloyd George was constantly harassed by it and Orlando found himself in the end controlled by it, uninformed though it was, and obliged to abandon his position both as Premier and as Italian representative at the Conference. Yet public opinion formed itself in each country on partial and misleading presentation of the facts. Under the arrangements in the Conference no delegate was supposed to make statements concerning the proceedings of the Conference.

What an advantage to the nations of the world if the discussions on each side might have been published and discussed by the people! For instance, Italy relied on the Allied agreement in the Secret Treaties for the claims she set up. Yet under the Secret Treaties Italy agreed to give Fiume to the Croats. This fact was not made known to the Italian people until long after their national feeling had been aroused and their pride had been committed to the annexation of Fiume to Italy. If this matter had been discussed in the beginning, before national hatreds had been permanently fixed, all the negotiations would have taken a different turn.

Many reasons were given for the secrecy of the Conference proceedings.

First, no open and free discussion would be possible among the delegates if the proceedings were to be published. This attitude was wholly false. There was nothing concerning the settlements of the political questions of Europe which the peoples of the countries were not entitled to know. Moreover, this discussion would have added to the education of the different nations. Reciprocally the delegates to the Conference had much to learn from the attitude of their own peoples. The resulting discussions would have been an excellent guide to indicate to the delegates what was within their power to do and what they might not attempt.

The second argument against public discussion was that it would enable the Germans to take advantage of an indicated split among the Allies. The Germans did not take part in the hearings of the Allies who drafted the Treaties. They had no opportunity to take advantage of disagreements among the Allies. Perhaps if they had participated, treaties of more permanent character would have been made. The Germans were bound in the end to have their say and this the Allies have learned since the Treaty was signed. No treaty could be permanent in which Germany, Russia, Austria-Hungary and Bulgaria had no voice. At any rate the argument that Germany could take advantage was unfounded. The fact is that the absence of Germany from the councils of the Paris Conference led to conditions in the Treaty which are separating the Allies to-day.

The third argument was that, if public hearings were allowed, in the post-war turbulence of the

peoples, revolution and Bolshevism would result. Nothing is further from the truth. Public discussion would have brought the masses in closer sympathy with their governments and would have led to treaties which nations might accept. It would also have occupied the minds of peoples and given them a feeling of participation in the responsibilities. When President Wilson first arrived in Paris, the labor unions wished to march before his house and send delegates to welcome him. He was asked by the French government to decline the demonstration and he acquiesced because he was told that serious disorders might result. The demonstration was really an expression of sympathy for the American plan and there was no objection to it except that the French government feared the plan would find too great popular support. This threat of Bolshevism and disorder was held over the heads of the American delegates to obtain terms which are now producing these very disorders.

Another effect of the closed Conference was that, in the absence of open discussion, the government faction in control could, through its propaganda department, suppress and distort facts so as to mislead public opinion. Such manœuvers would have been less dangerous if there had been an agreement to give publicity in each country to the discussions.

Publicity was really the strongest weapon of the Conference and of President Wilson. It was absolutely important that the Allies should not be split through the crystallization of public opinion by *ex parte* discussion in the press of each country and as each government controlled more or less the press of its country after the war, it was an easy matter

to provide for the decisions of the Conference by joint agreement.

Certainly some united plan ought to have been thought out beforehand for obtaining publicity. I have been told by those who attended the Spa meetings of July, 1920, that the doctrines enunciated in Mr. Keynes' book, "The Economic Consequences of the War," practically controlled that Conference. How much better it would have been if such discussion could have been published during the Paris Peace Conference instead of after the unfortunate treaties had been drafted and signed. The absence of publicity, not so much with regard to the man in the street as with regard to the actual delegates at the Conference, created a situation which resulted in confusion among the delegates, especially ours, to whom most of the problems were new and unreal. It was impossible by the methods used to get any view of the interrelationship of what was done at the Conference.

As far as America was concerned, the advantage of open discussions was evident. America was free from any treaty obligations. She had entered the war unbound by any agreements; she wanted no payment for her participation in it. Her effort was freely given in the interest of permanent laws for international relationship. She came into the war to down militarism in its most blatant German form and to establish democratic and just international relationships. Her participation was certainly not given to afford Entente nations an opportunity for imperialistic expansion over other nations. She was not fighting for the economic servitude of any people over a long period of years. The United

States was, in a word, fighting for international fair play and this fair play was not represented by Secret Treaties.

The United States might have made conditions for her entry into the war. Certainly she should have found out before she joined in the Conference whether her European associates were willing to make treaties of justice and fair play. If the Fourteen Points or the pre-armistice agreement were to be torn up as mere scraps of paper to make room for the Secret Treaties, the United States had no reason to participate in the treaties of oppression and folly which would result from such action. An open discussion of the questions before the Peace Conference would soon have shown whether the peoples of Europe wanted a peace which might be permanent; a peace of conciliation or a peace of conquest and revenge.

In the latter case the United States had no business in the Conference at all. It was then her duty to let Europe settle her own difficulties without any guaranties from the American people.

If the United States had withdrawn from the Conference, very different Treaties would have been made. The force of conciliation must have won, for the Entente by itself was unable to enforce a peace of revenge. Against a possible future combination of Germany, Italy, Austria-Hungary, Bulgaria, Turkey and Russia what combination that France and Great Britain might make could stand? A peace of conquest was sure to throw Germany into the arms of Russia. There was no combination of

peoples in the East of Europe which could block this movement. The most obnoxious things in the treaties were based on the hypothesis that the United States will aid in their enforcement.

It is for this reason that you see so many subsequent meetings in London, San Remo, Boulogne, Hythe, Brussels and Spa, ostensibly to interpret the treaty, but really held with the purpose of adjusting its severity to the economic needs of men. The United States is out of it. Therefore the terms of the treaty are being made milder because the Allies cannot enforce them without the support of the United States. When I say support, I mean moral, military and financial support.

In regard to method there was another criticism which applied to the proceedings of the Peace Conference. After the organization of the Conference had been decided upon, it would have been natural to lay down general rules for the application of the pre-armistice agreement based on the Fourteen Points. This action was indeed necessary, since the Fourteen Points and the pre-armistice agreement might be subject to various interpretations. It was important to fix permanent methods of their application. What really happened was that the Conference proceeded to discuss individual cases without first determining the rules to be applied for their judgment.

It was also true that no rules were provided regarding the application of international law. The result was that the Fourteen Points and the rules

of international law were broken whenever it was in the interest of the Allies to do so—as in the astonishing confiscation of all the private property of enemy nationals in Allied countries.

International law had at the end of the war almost disappeared. America entered the war to maintain some substance of law in international relationships. As the American delegates were in favor of a League of Nations which should be based on some body of rules for international conduct, it would have been the course of wisdom, in attempting to make a world-peace, to have first established rules of international law. Some recognition of international law indeed seemed essential since the Allies were to demand the trial of persons who had committed "acts in violation of the laws and customs of war." These laws of war are largely embodied in international agreements and conventions and constitute the chief body of international law. It would have been well, before trying enemies for breaches of international law, to make sure that the Treaty itself was in conformity with that law.

But the Paris Peace Conference was quite lawless, not only in its methods, but also in its findings. The Allies, assembled in Paris, seem to have decided to sweep aside all international obligations and make the terms of the treaty to suit their needs, quite regardless of what laws they abrogated.

It then became the duty of the League of Nations to establish a code of International Law for future use. The difficulty with this procedure was that the Treaty itself established precedents for the conduct of victors which will be stronger than any code of

laws the League of Nations may decide to establish. The League, in order to establish a body of international law for general application, would first have to nullify many of the provisions of the treaties.

The American delegates came to the Peace Conference with a purpose entirely different from that of any other nation. Perhaps our representatives (because our interests were not involved to the extent of those of other nations) were under the influence of that touch of sentimentality common in the American character and quite unaffected by realities.

Our principal delegate had formulated the terms of the pre-armistice agreement. The terms were in some instances specific. Yet as a whole they were so general as to be of little value unless supported by a concrete plan of detailed accomplishment.

The President did bring experts with him and they had evolved a general plan. But that plan did not take sufficiently into account the after-war antagonisms of peoples or the economic revolutions which peace involved. The consequence was that, in most cases the plans taken up and discussed were the more completely prepared plans—and they were prepared by other nations.

Even the League of Nations—an American proposal and the President's pivotal aim in the Conference—was more influenced by the British conception and draft than it was by the American. At an early stage of the Conference I discussed the League with Colonel House. He informed me that, when the question was first discussed, long before the end of the war, the British seemed unwilling to establish as

far-reaching a plan as was President Wilson's. Once the discussion developed, however, the British progressed much more rapidly than did Mr. Wilson and his advisers. When the Conference opened, the British had far outstripped the American delegates in their conception of the League's scope and power.

The fact that the delegation of other nations were better informed and surer in the details of their proposals than was the American delegation, gave to the chief American delegate a touch of uncertainty which at times presented the appearance almost of capriciousness.

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Again, the fact that the President was often fighting on issues wide of the mark, suggested to some observers at the Conference that he did not put up a serious fight for the embodiment of the pre-armistice agreement into detailed accomplishment in the treaties. This point of view would throw a new light on the Conference. The communications made to the American press and the confidential information whispered to us concerning what was going on in the Conference, created the impression that the President was carrying on a herculean struggle against the powers of evil to put the pre-armistice agreement into effect. Those who think that he did not understand the significance of this agreement and could not therefore make a serious fight in its favor,

call attention to the fact that Mr. Wilson did not originate the Fourteen Points. Forty-eight hours before the famous speech which embodied them an "intellectual" was called upon to draft a series of definite points to give the war-aims of the United States for use in the President's speech. This "intellectual" drafted eighteen points. These were then reduced by the President to fourteen and made less definite and concrete.

The ease with which the President shifted his ground at the very beginning of the Conference in regard to "open covenants openly arrived at" would seem to show that he had no real interest in this particular issue, certainly no realization of what such a surrender *ab initio* would mean to the rest of his program. The friends of the pre-armistice agreement (and there were many in Europe) expected other things from the American at the Conference.

Mr. Wilson was overcrowded with work. He attempted to do everything himself. He saw few people and always the same ones. He might have gotten fresh views from people returning from actual observation of situations in different countries. He seldom received them He consulted his experts rarely. Outside of Colonel House, the other American delegates had little influence with him. Their attendance at the Conference might be called almost a formality. The lack of cooperation between the delegates, and also the experts, of the American Mission with the President formed a marked contrast to the methods of other nations, especially to that of Great Britain. The British delegation

worked as one man. Lloyd George was their mouthpiece. His action was guided by their data and their advice. They all worked on the lines of a fixed national policy. No single man could cope with the workings of such a machine.

One important item of the Conference was the adulation with which President Wilson was surrounded. He had stated publicly that he had come abroad to measure his mind with the minds of statesmen there. Allied statesmen took up the challenge. They soon observed the effect which flattery had on the man. They took every opportunity to play on his weakness. At all the public meetings which I attended, the speakers turned, not to the Chairman, but to Mr. Wilson, who sat a little way from the table as if to mark his isolation.

A Frenchman of talent, connected with the Conference, said to me that the great mistake of everybody had been in over-estimating President Wilson's ability, and added:

> We relied upon him to do work for which he did not have the capacity. Other national representatives contented themselves with working out the interests of their respective countries. By common consent, the interests of the whole were left to Mr. Wilson. His wide heralded championship of the common interests of all nations justified this attitude.

I remember a chance appearance of Lloyd George and President Wilson in the big hall of one of the hotels where the British delegation resided. They both entered at the same time. Mr. Wilson appeared bowed down with care and anxiety. He saw nothing about him and was absorbed in thought. Lloyd George was quite detached and care-free—he noticed the flowers in the hall; failing to recognize one variety, he asked the name from the hotel manager.

As the Conference progressed, the isolation of our people broke down in a measure. British and American delegates grew closer together. This was largely owing to similarity of language and customs, and method of thought.

The national delegates and experts lived in hotels assigned to their exclusive use. These hotels were jealously guarded against the intrusion of strangers. You had to have a card for each hotel to admit you. I remember being forcibly ejected from one hotel into which I had penetrated, in ignorance that it was occupied by a peace delegation.

The different national delegations were as isolated from one another as if they had belonged to enemy countries. I asked one of the American experts, for example, to meet certain friends of mine, representatives of small nations, at an informal dinner. The expert said that he would dine with me, but that he was not allowed to converse with other representatives for fear of the influence that it would exercise on his judgment!

CHAPTER V

The Peace Conference: Its Accomplishments

The Paris Peace Conference drafted treaties with Germany, Austria, Hungary, Bulgaria, Turkey.

These Treaties regulated the political and economic destinies of about a hundred and fifty million people of different nationalities. Never before had such a sweeping attempt been made to regulate the internal affairs of nations, some of which were not even represented at the discussions. The five treaties did these things:

They fixed the boundaries of the five nations.

They determined the burden of debt belonging to each.

They provided for the control of the finances of each through the reparation committees, whose powers over the resources of each nation were almost unlimited.

They provided intricate methods for control of navigable rivers and gave rights of user on these rivers.

They gave rights of user also on the railroads and even fixed rates in some cases.

They provided detailed terms of penalties and indemnities and of disarmament.

They attempted to deprive legislatures in many countries of the power to make certain laws, while reserving that right to Allied parliaments.

The only methods existent to enforce these terms were by military force; as if to foreshadow such military action the treaties provided for military occupation of portions of the territory of enemy nations.

The German Treaty alone, containing some eighty thousand words, is mostly concerned (and in elaborate detail) with the penalties imposed on Germany, together with the method and time of their execution.

The five treaties attempt to control, by government agencies of the Allied and Associated Powers, the economic life of five enemy nations over a period of at least thirty years.

But this was not all. The Paris Conference created three new states—Czecho-Slovakia, Jugoslavia, Poland.

It defined their boundaries, together with those of Austria and Hungary.

It regulated the internal matters of these states concerning debts and minority nationalities.

It enlarged Rumania and Greece to double their original size.

It fixed the indemnities to be paid by the beaten nations, and prescribed the division among the Allies.

It divided German colonies and attempted to fix limitations and the nature of the control of these colonies.

Finally, it provided an association of nations, whose real aim was to assist the enforcement of these treaties, but which ostensibly was intended to prevent wars in the future.

The Conference first took up the Treaty with Germany. Italy, in the beginning, insisted that her boundary should be fixed before she would agree to the terms of the German treaty. Therefore the question of Fiume and the Secret Treaties was injected into the discussions of the Council along with the German Treaty.

The idea that Clemenceau imposed on other delegates, and especially on President Wilson, the peace with Germany which the French delegates desired, is, in my opinion, not true. The French will fare badly under the provisions of the Treaty, and they know it. They agreed to terms which were foredoomed never to be enforced. With the persistence of despair and fear in the future, they press for a literal execution of the Treaty, seeing too clearly Germany slip through the meshes of the net and reestablish her economic superiority. This superiority, they know, will mean power for revenge. For this reason they demanded an alliance with Great Britain and the United States to protect France.

The French government, pursuant of its aims, had asked, first, that the reparation fund should be guaranteed in some way by the Allies, and second, that the left bank of the Rhine be detached from Germany and form a separate state. It will be seen that the French government's demand conformed to her secret agreement with Russia.

These demands were opposed by the representatives of Great Britain and of America, but for different reasons.

The United States opposed the plan because it was contrary to the pre-armistice agreement and because the United States had never desired the dismember-

ment of any part of Germany which was really German.

Great Britain did not desire the dismemberment of Germany both on political and economic grounds.

Politically, a buffer state on the Rhine would have been formed under French influence and would have rendered France too powerful on the Continent. France had been a military state in the past and might again become one in the future. The day had been when Great Britain, in alliance with Germany, had fought France. Moreover, under modern conditions of war, the Channel does not afford as great protection to Great Britain as it did in the days of Napoleon. Besides, Great Britain views with misgiving the Pan-Slavism of the east of Europe. Therefore she did not want Germany weakened too much.

The stronger reason, however, for Great Britain's refusal to allow the separation of the left bank of the Rhine from Germany, was that Great Britain could not afford to permit Germany's economic disruption carried to such a length. True, Great Britain consented to the cession by Germany to Poland of the province of Posen and the corridor of Danzig, which corridor separates East Prussia from Prussia. Great Britain also consented to a plebiscite in Upper Silesia, a district with great wealth of coal, whose industrial development had been made by Germany during the last hundred years, and whose separation from Germany would impair the productive power of that country. Moreover, Great Britain consented to giving France the coal mines of the Sarre Valley, with even a plebiscite to make possible her permanent acquisition of this German district.

Now to take the further step, and separate the west bank of the Rhine from Germany, Great Britain realized, meant the economic disruption of Germany. The conditions of 1870 no longer existed. Germany had multiplied in population and that increase had grouped itself about a nation-wide industrial organization. Already the amputation of coal and iron fields has produced a serious lesion in that industrial machine. If this were carried too far, Germany would become a relatively insignificant state, capable of sustaining only a much smaller population, and this would mean diminished markets for British products. Germany has always been an increasingly good customer of Great Britain. In these days of international competition, markets are difficult to obtain. Great Britain seems chiefly only a large factory. With the world impoverished and the purchasing power of peoples in Europe lessened for many years, the question of markets has become a vital one to Great Britain. She realizes that much of her prosperity comes from the policy of not excluding from her dominions the products of other countries. To institute in the British Empire too harsh a system of tariffs favoring her own dominions, would in the end bring on a world hostility. The keynote of the British policy, therefore, was the reestablishment of markets.

The French, on the other hand, are not in the modern sense an industrial or commercial nation. Owing to her position of danger, the views of France are those of a balance of military power. Besides France sees constantly her losses in the war, greater than those of any other nation. Her diminishing population made the loss of her young men in the war

irreparable. Her great manufacturing area in the north had been reduced to ruins. The government was overloaded with an enormous debt. It is true the people were well off. A large proportion of the cost of the war to France had been spent in the country; the American and British armies had left millions during their sojourn. Still the French government was poor and owed billions to Great Britain and America. France thought that the French people ought not to be taxed as were the British and Americans—had the French not suffered much more during the war? France therefore asked, not only that the left bank of the Rhine be detached from Germany, but that the Allies guarantee in some way the reparations to be paid by Germany. They asked for an international loan to rebuild the destroyed area.

The Americans in the Conference did not favor this method. The American debt was large. Already we were taxing our people more heavily than some governments to whom the war was more vital, were taxing theirs. To the minds of our representatives, our openhanded liberality during the war and after the armistice threatened to pauperize the nations we sought to benefit. Therefore in a world economic situation, which threatened every nation with bankruptcy, every nation must handle its own debts. America would help, but, where billions were involved, the economic representatives of the United States were unwilling to assume such gigantic financial burdens.

France would not fix a definite sum for reparation. The American delegates thought that, if the United States guaranteed any sum for reparations, she

would inevitably be called upon to pay it. The French proposed that each nation take a proportion of the obligation which would have a direct relation to its population and be in inverse ratio to the losses it had sustained. This system was merely a method of shifting the financial burden from European shoulders to that of Uncle Sam. The American delegates considered that the interests of the United States were not involved in the war to the extent of those of European countries and that we had already done our full duty toward our Allies. Therefore we should not bear the extra burden.

Besides, the American delegates saw that the imperialism which had large influence in directing the acquisition of territory gave little promise of future world stability. The United States might have made loans, but already there was more owing her than had ever been advanced in any international transaction before. International law had been pretty well done away with by the war. What was left of it was threatened with extinction by the measures proposed in the Treaty. For instance, as before noted, the property of enemy nationals in Allied countries was to be confiscated. This policy, contrary to every doctrine our country had supported from the beginning, seemed to promise ill in the future for international financial obligations.

Great Britain was willing to enter into some form of international guaranty for reparations. She even proposed that Allied and Associated Nations should guarantee the bonds which Germany was to issue for these reparations. But the United States delegates stood obdurate. A clever Frenchman has said that France won a military victory, that Great Britain

in the Conference won a diplomatic triumph, but that America was the real victor because she had won economic supremacy. This superiority, the United States representatives did not propose to see shifted by any juggling with war losses.

The French suggested many propositions to attain their end of making sure of outside loans. One proposition was to establish a bank for the League of Nations which would assume all the Allies' war debts. All these plans foundered on the rock of American obdurateness.

In order to avoid the persistence of the French in this direction, the Americans and British allowed the French to multiply methods for extracting the required reparations from Germany. It was under these conditions that the strands of a great net of Latin conception of control, direction and supervision were constructed to catch vast sums for rehabilitation out of Germany. This net, of pretentious size, was sure to become entangled in the machinery of German industry and either break or stop the engine.

France failed to get in the Treaty what she wanted —assurance of her reparation fund and the separation of the west bank of the Rhine from Germany. As to this latter desire she secured a compromise, the right to occupy the west bank during fifteen years and the right to impose during that time what tariff regulations she pleases. She tried to secure *de facto* what the Conference refused her, namely, definite separation. She found in the Rhine province a certain support for the idea of the establishment there of a separate republic. Her military authorities encouraged this movement. There had been, how-

ever, an oral agreement made by Colonel House with the French Government that, pending the decisions of the Peace Conference, the armies of occupation should do nothing to prejudice these decisions. Consequently this attempt of the military authorities was nipped in the bud.

There has been another movement in France which may play a part in the future and which certainly influences her policy towards the German government. This is the desire to see Germany divided up, as she was before 1870, into constituent states The last two years have shown the result of such action on a less highly developed country industrially than Germany, namely on Austria-Hungary. It would spell industrial ruin for Europe if the same divisions were made in Germany.

Where France failed in her chief aims in the Peace Conference, Great Britain did not; what she obtained she got without friction. In the armistice, France failed to get complete disarmament of Germany on land; Great Britain secured that disarmament on the sea.

Under a legitimate interpretation of the pre-armistice reparation clauses, Great Britain would have received a much smaller share of the reparation fund. The terms of that agreement were that "Compensation will be made by Germany for all damage done to the civilian population of the Allies and to their property by aggressions of Germany by land, by sea and from the air." This means what it says. It does not mean damage done by Germany's Allies nor does it mean damage done to soldiers. Long since the courts of the world have cut the

infinite interrelationship of world affairs and limited damages to direct effects. It was not intended by this clause to substitute the German people for the Allied people in payment of all taxes due to the war.* Yet the Treaty makes Germany pay for pensions to naval and military victims of the war, a provision contrary to the pre-armistice agreement. This latter clause was a severe blow to France. It doubled the already huge sums claimed against Germany and added to the list of claimants, Allies whose country had not suffered by actual invasion. It perverted the reparation theory of the Treaty.

Reparations were really intended to repair the damage done in destroyed areas and to put the populations on their feet. Under the Allied agreement there is no preference given to reparation of the destroyed areas over pension claims. The amount that will be gotten out of Germany will be of necessity limited. The pension provision undoubtedly swells the claims of the Allies beyond the point which Germany can pay.

In addition, the increase must extend the time of payment. Now France needs funds at once. The longer you postpone such payments the less likely, in the present situation of Europe, are you to get the full sum. Already the terms of the Treaty are being pared down.

Aside from this, it is difficult to see how France accepted the breach of faith contained in this clause. Her pressing needs, and the suffering in the destroyed areas, demanded definite and immediate payments. Yet the pension clause, by doubling the

* This point has been made sufficiently clear in the able book of Mr. J. M. Keynes on the economic consequences of the peace.

total, postponed her receipts and diminished the probability of their entire payment. By getting in this clause, Great Britain swelled her share of the reparation fund and contributed to the satisfaction of her colonies by securing a share for them.

In regard to the disposal of German colonies, the decisions were made to satisfy the British colonies, that is to say, the British Empire. This decision is recognized by leading Frenchmen as unfortunate for France. France does not need any more colonies. She must strain her resources to develop those she has and there is no superfluous population to send into colonies. Many Frenchmen believe that the refusal of Bismarck to allow Germany to seek expansion in colonial possessions was an important original cause of the great war. It was for this reason that he consented to let France take Tunis. When, at last, Germany finally did seek colonial development, all of the really good colonizing opportunities had been pre-empted. Under the provisions of the Treaty, Germany is deprived of all colonies. This bottles up sixty odd millions of people in the interior of the European continent. If Germany reaches out, she must do so on the continent. This bottling up of Germany constitutes, in the minds of the French, additional danger to France. On the other hand, the provision eliminated Germany as a dangerous neighbor to British colonies. It is also interesting to note that the mandatory provision in Article XXII of the League of Nations, in respect to mandatories of German colonies of Central Africa assigned to the French, "agrees to secure equal opportunities to the trade and commerce of all other members of the League." The mandatory of Southwest Africa,

which is British South Africa, does not agree to this clause of equal commercial opportunity for the members of the League. Moreover, in the Turkish Treaty Great Britain is to get Mesopotamia which, if developed, will be a country of extraordinary fertility and richness, a second Egypt. Great Britain receives also the Bagdad Railway and secures the territory east of the Suez Canal.

In the maritime clauses of the German Treaty, Great Britain effectively clears the seas of the German navy and merchant marine. The Treaty, by extending the theory of restitution through a theory called "replacements," takes all merchant ships from Germany above sixteen hundred tons. It provides, also, that German shipyards shall lay down two hundred thousand tons of ships per year for five years as replacements for the losses of the Allies. By far the greatest percentage of tonnage goes to Great Britain. This clause would seem to assure that Germany will practically be kept off the seas for a number of years.

It will be remembered that Great Britain, by secret treaty with Russia during the war, had established a sphere of influence in Persia. During the Peace Conference she extended her sphere of influence almost to a protectorate over the whole of Persia.

Thus, Great Britain, by the Treaty, has secured vast and rich territorial additions to consolidate her empire. She has swept German competition from the sea; she secures a substantial part of the indemnity. By a special agreement with France, no doubt in exchange for other concessions, Great Britain secures the oil fields of Mosul, although this region was given to France by the treaties. Great Britain

also has the rights, perhaps exclusive, to develop the oil fields of Madagascar.* One cannot say that the peace negotiations did not give to Great Britain her full share. Certainly she got more assets of value in proportion to her losses than any other nation succeeded in appropriating in the peace negotiations. Perhaps she got more than she can digest, but that time alone can tell.

The frontiers of Italy have not yet been settled. If Italy gets, as it now appears she will, the concessions of the secret Treaty of London, she will receive little of great importance except Trieste and Pola. Trieste will be of great value if Italy conducts the port so as to encourage commerce. Pola is a necessary port for the Italian navy. The "strategic frontier" in the Austro-German Tyrol will furnish a hostile population in case of war. The Dalmatian coast will be a fringe on the sea inhabited by a hostile population with an enemy country in the near hinterland seeking an outlet to the sea. This fringe along the sea will be a constant source of disturbance to Italy. Valona, the Albanian port conceded to her by the Secret Treaties, Italy has abandoned already. There is in Italy a strong movement for granting autonomy to Dalmatia rather than annexing to Italy. Such a solution would have better results than annexation. An independent Dalmatia would seek close affiliation with Jugoslavia, to which it could give an outlet to the sea and whose commerce would give it a livelihood. As a narrow strip of land on the sea, unsupported by the hinterland, Dalmatia

* The extension of the British oil trust in Mosul, French colonies, Dutch colonies, Rumanian fields and, as I hear, to Galician fields, is an interesting development in the story of international oil monopoly.

would of necessity become an impoverished and retrograde province.

Of Japan only a word is necessary. She came to Paris to make firmer her grip on China and the Pacific. These ends she attained at the expense of American prestige and the policy of the open door.

The treaties, as drafted, have, I believe, been shown to be treaties of force framed in the interest of a prospective alliance in Europe. A League of Nations, interwoven in these treaties with inadequate powers to alter them, could only be a new "Holy Alliance." Yet it was understood that if the League affords sufficient security, no "strategic frontiers" would be acceptable, hence it was necessary to make the League a part of the Treaty of Versailles. Nevertheless, France got a strategic frontier with her military occupation of the Rhineland, and Italy obtained a perfect strategic frontier.

As constructed, the League of Nations, without the instruments of executive power, depended on the good-will of governments and their desires to arbitrate their disputes on grounds of international justice. The treaties show that no such animus controlled the governments of the victorious Allies. The difficulty with the League is that, constructed within the treaties themselves, it cannot remedy their evils. On this account, and because the world's dire necessity demands a revision of the Treaty, we now see the astonishing sight of the League stepping one side, while the Council of Prime Ministers of the Allied Powers assumes its functions.

The most important points in which the League is involved in the treaties are:

1. In Article X the League undertakes to protect against external aggression the political independence and the territorial integrity of members of the League. This clause, for practical purposes, guarantees the territorial decisions of the Treaty. If an appeal to alter any of these territorial decisions is made to the League it must come before the Council, whose decision, under the covenant, in order to be binding on members of the League, would have to be unanimous, except as to the parties to the dispute. The alliances arising in Europe make any such unanimity regarding changes in territorial decisions impossible. Therefore, failing a decision, the members of the League are brought back to their guaranty under Article X.

2. The German Treaty provides that Austria and Germany cannot unite except by express permission of the Council of the League. The Council's decision in this case must be unanimous. If a single one of the powers represented in the Council—Great Britain, France, the United States, Italy, Japan, Belgium, Brazil, Spain, Greece—opposes such a union, the League becomes an instrument of tyranny to prevent the self-determination of two peoples. This condition regarding Austria and Germany is binding, no matter what other nations think or what the pressing needs of the Austrian populations may be.

3. According to the Treaty, the Council of the League may extend for an indefinite period the five-year provision which gives most-favored-nation-rights to Allied and Associated Powers on import and export duties into and from Germany. The clause is not reciprocal; that is to say, if any of the

Allied countries discriminate in tariffs or in customs regulations, Germany cannot retaliate in kind. This is a great economic weapon against an exporting industrial country. It may prove so advantageous to the Allies that unanimity for its continuation would be reached by the Council of the League. Of course such clauses are punitive war measures which deprive a country of portions of its sovereignty. If extended beyond a limited time, such provisions could only be enforced by war.

4. The Council of the League may extend indefinitely the right of France and Poland to export free of duty into Germany the products of Alsace-Lorraine and the Polish territory ceded by Germany.

5. The Council may also extend indefinitely, after five years, the right of Allied Powers to impose such tariff provisions on imports and exports in occupied areas of Germany as they see fit. This means the German west bank of the Rhine. Considering the desire of France to constitute an independent Rhineland this provision is significant.

6. The Council of the League may extend the favored-nation clause to the Allied right to fish in German waters and also the exclusive privilege of Allies to exercise inspection and police rights over Allied ships in the North Sea.

7. The Council may extend the prohibition forbidding taxation or restrictions on Allied individuals or corporations not imposed on German nationals in Germany. This clause is not reciprocal. Germany may not favor her own business enterprises such as insurance companies. It is the custom in many countries to place limitations on foreign corporations to which home corporations are not subject.

8. The free city of Danzig is placed under the protection and guaranty of the League of Nations

9. The Council of the League must make the terms of an agreement between Germany and Poland giving to each railroad, telegraph and telephone right over the other's territory, from Germany to East Prussian and through East Prussia to Danzig.

10. The armament of Germany, as permanently fixed by the treaties, can be altered only by unanimous vote of the Council of the League of Nations. In case Germany is attacked, one member of the Council could prevent her defending herself. Such a clause would be difficult to enforce.

11. The Council of the League has permanently the right, by majority vote, to investigate anything in Germany from government activities to private business. Such powers exist only in the Parliaments of each nation. If enforced, this clause would constitute the assumption by foreigners of the right of parliament within the country. Of course the clause in its full scope cannot be enforced. It is therefore only an international impertinence.

12. The League may be appealed to if Germany breaks any Allied regulations concerning Kiel. Under these regulations no advantage can be given to any German shipping.

13. The League of Nations is a member of the Labor organization of the treaties. It must investigate and bring to trial any breaches of international conventions concerning labor and attend to their enforcement by economic pressure.

14. The League of Nations appoints the president of a mixed arbitral tribunal to settle pre-war insur-

ance and many other matters between Germany and the Allies.

15. The League may make the Niemen an international river under an international commission.

16. The League takes over the German colonies and assigns them to mandatories. This in spite of the fact that these colonies have already been taken over and are being administered without authority of the League. The League sees to the welfare of these colonies and enforces provisions for them. In respect to Central Africa it enforces equal trading rights for members of the League.

17. The League takes over the government of the Sarre basin, appoints the governing commission, fixes their salaries and may remove members of the commission. It regulates labor conditions in the mines. It provides rules for voting in the plebiscite which is to take place in fifteen years to decide the sovereignty. The League attends to the details of the execution of the provisions of the German Treaty concerning the Sarre Basin. Where the Council of the League is concerned, decisions are to be reached by a majority vote, but it does not appear how the League itself is to decide on the sovereignty of the Sarre Basin after the plebiscite; whether by vote of the assembly, of the Council, or by a joint vote.

18. These duties do not include all the League's functions. For instance, we find in the treaties that the League supervises the educational systems of Poland, Czecho-Slovakia and Jugoslavia to ensure that minority groups there shall have an educational system controlled by themselves and supported by taxation.

The above list will suffice to show that the League must meddle in the internal affairs of nations. In the case of the educational provisions, it interferes to make disunity within the nations and intensify racial isolation and hatred.

The League, as I have tried to show, is bound by the territorial decisions of the Paris Conference, in many cases unjust and unworkable. In the opinion of competent authorities, they should not and cannot be maintained.

In respect to the economic clauses of the different treaties, however, the League, were it a judicial body, might justify the functions assigned to it. In these clauses, however, it is the people interested who sit in judgment. The nations represented in the Council can profit by the prolongation of the punitive measures. With the experience of log-rolling, shown by the Allied governments in the Paris Conference and since, it would be folly to expect the representatives of these nations in the Council to act in the character of impartial judges. The duties given to the Council by the treaties, therefore, constitute a danger which may defeat the object of such a League.

The stupendousness of the task must have given to the Conference doubt at times as to the adequacy of the method it was pursuing. At one time President Wilson seems to have had some doubt as to the permanent value of the Council's decisions on territorial boundaries. Early in the Conference he issued a statement to the effect that, owing to the complexity of the problems, the decisions about territories could not be considered permanent. He added that some methods would have to be adopted to make

possible the alterations of findings on frontiers. But the President seems to have forgotten this declaration, for boundaries were fixed, peoples assigned, and yet no practical method was devised to alter the decisions should national injustices be committed. There was, of course, an appeal to the League, but, under the existent new alliances, it was quite futile to expect unanimity in the Council for any changes of boundaries since the League was a political and not a judicial body.

Never were political delegates of a nation in better position to stand out for impartial justice than were the Americans at the Peace Conference. If they failed to do so, what single nation could withstand the united greed of the others in meetings of the Council? Perhaps the worst feature of all this is that, should the League become a working reality, it would, by occupying the field, prevent other methods for the adjustment of international difficulties from being adopted. In a word, by the intermixture, the League is controlled by the treaties and not the treaties by the League.

In proof of this the League is actually attempting to perform its duties under the treaties, but is not taking up its greater function of maintaining peace. Italy and Greece are at sword's points, Jugoslavia and Italy may be at war any moment. Poland has invaded Russia and Russia Poland. Albania has been fighting Italy and then Jugoslavia. Many other conflicts threaten. None of these does the League touch. It does not abstain because America is not in the League, but because under the Treaty the League represents the interests of Allied countries rather than those of common justice and peace.

These are some of the reasons which have led me to conclude that President Wilson made a great mistake in fighting to tie the League to the Treaties. The only bright light in the present situation is that the League on all vital matters has given place to the Allied governments-in-council composed of their Prime Ministers. They have no limitations on their power and show some inclination to alter the terms of the treaties where pressing need of the hour demands.

The present moment would be a much more favorable time to create a League of Nations. Governments are beginning to realize the calamity which has overtaken them. All of them face economic disaster. In the east and southeast of Europe chaos threatens. New national quarrels have either brought on war or threaten to do so. The different governments are at their wits' end to know which way to turn. They would willingly grasp at some solution like a real unhampered tribunal of nations, to correct the many errors of the Treaties. The present moment is more favorable than was the period immediately after the war to create a League which should have less of a political and more of a judicial character. Such a League also should have a legislative body with really elected legislators from each country to enact a body of international laws.

The present League is nothing more than a proposed alliance of Great Britain, the United States, France, Italy and Japan, devised to maintain the *status quo* established by the Treaties.

It is a sad duty to record the fact that President Wilson made his principal fight to secure the interweaving of the League and the Treaties. To attain

this end he sacrificed each of the pre-armistice agreements in the terms of the different treaties to which he consented. Other statesmen saw more clearly. While Mr. Wilson was in America, Mr. Balfour proposed to eliminate the League of Nations from the Treaties. On his return President Wilson issued a public statement reaffirming the unity of the League and Treaties. Thus the chief American delegate made his chief fight for method instead of for substance; a fatal error in a negotiator.

After the question of uniting the charter of the League of Nations to the German Treaty, the second issue before the Conference was really the Secret Treaties. If these war agreements were to control the decision of the Conference, then President Wilson's program could not be carried out. A public discussion of the obligations of the pre-armistice agreement and their relation to the Secret Treaties would have cleared the atmosphere considerably. If Allied governments refused to recognize the abrogation of the Secret Treaties, then the United States should have withdrawn from the Conference. Yet Mr. Wilson proceeded to discuss individual cases without first determining what law was to apply to the Sarre Basin, the military occupation of the Rhineland, the economic and reparation clauses, the Italian boundaries, the delimitations of Poland, Czecho-Slovakia, Austria Hungary, Rumania, Bulgaria, Turkey. In each case the Secret Treaties bore fruit.

In the Sarre Basin, for instance, France got the coal mines as compensation for losses of coal mines

in Northern France. The majority of Frenchmen at that time did not desire annexation of any German territory inhabited by Germans. Yet finally the Conference gave France a plebiscite in this area which will create the desire for annexation. President Wilson consented to a clause in the original treaty submitted to Germany in which, if the Sarre population in fifteen years votes to return to Germany and if Germany cannot pay for the mines within six months, then the Sarre district should become permanently French.

M. Tardieu, who, next to M. Clemenceau, was the most active delegate of France at the Peace Conference, has presented a detailed account of the action of the Big Four on the Sarre Basin. In this discussion he gives extracts from the reports of the Conference meetings. As these reports have, up to the present, been kept secret by agreement, they give an insight into the nature of the discussions which took place.

The claims presented by the French delegates were for annexation of the Sarre Basin and of the old Duchy of Luxembourg, comprised in the boundaries of 1814.

Mr. Wilson is quoted as saying:

Never in any public document did France ask the frontier of 1814. The basis of peace accepted by her speaks of the reparation of the wrong suffered by her in 1871, and not in 1815. These bases bind the Allies. The historical argument that Germany employed against France to steal Alsace-Lorraine is a dangerous argument. Besides the frontier of 1814 does not correspond to any economic reality. It would ruin the Basin by cutting it in two without assuring France the coal. This cession of territory without an immediate plebiscite would be in these conditions inadmissible—I regret to make these admissions and I apologize for them. It is a painful thing for me to oppose France but I could not act otherwise without failing in my duty.

I quote a few sentences to give the tenor of Clemenceau's answer:

I have a serious reservation to make. You eliminate sentiment and memory. The world is not led by simple principles. You declare yourself ready to do us economic justice and I thank you, but the economic needs are not all. The history of the United States is a glorious one but a short one. We have our conception of history. When the young men, Lafayette and Rochambeau, went to help the Americans fighting for their independence it was neither cold reason nor acts of war which created the memories attached to their intervention. If to-day you do not listen to me you will lose the occasion to weld an additional ring in the chain of affection which unites France and America. There are (in the territory included in the frontiers of 1814) a hundred and fifty thousand French people. You wish to respect the rights of the Germans. But pay attention, also, to the rights of the French people.

It will be seen that the real agreement in the case was barely touched upon by the President, and not answered by Clemenceau. The President does not even state the case. France, Great Britain, Italy and the United States had made a treaty with Germany. According to its terms France was to get Alsace-Lorraine only. Of course, the United States could not be a party to a treaty by which this agreement was bare-facedly broken. The President might well have stated this and refrained from any other argument, for there was none other. If the pre-armistice agreement was not to be observed, there was no reason why the United States should not consent to this cession of territory to France. If the agreement was to be broken, France should have been allowed to take all that was necessary to protect her own against Germany's certain revenge. Of course, for us to participate in this breach of faith without gain to us removed us from a class of knaves to that of fools.

Another argument naturally suggests itself con-

cerning this early decision of the Conference. If the armistice was to be broken in the first instance, then the whole Conference would degenerate into a scramble for loot and the treaties resulting would bring chaos to Europe. The only possible safety lay in sticking to the pre-armistice agreement wherever it applied. Finally, the Conference decided not to allow France the boundaries of 1814, but the President proposed a plan which, besides giving France the ownership of the coal mines, would give her practical control over the Sarre Basin, through an administrative commission. M. Tardieu says of these negotiations:

> I asked the President three questions:
> 1. Would German sovereignty be suspended?
> 2. Would the commission possess full powers, including those to dismiss government officials?
> 3. Would the elections (in the Sarre Basin) to the Reichstag be suppressed?
> The President replied in the affirmative.

These terms were accepted by Clemenceau with the addition of a plebiscite at the end of fifteen years. The solution devised by Mr. Wilson, it will be seen, was a hypocritical semblance. It adhered to the letter, but actually was a breach of the pre-armistice agreement, which deceived no one but him. If France is to get from Germany only Alsace-Lorraine, then naturally Germany was to be deprived on her Western boundary only of this territory of Alsace-Lorraine. The whole device was what a French paper called it: "The veiled annexation of the Sarre."

The control by the League of Nations is a myth. A Frenchman now governs the Sarre region. The

French customs system is in operation. The plebiscite in fifteen years is looked upon by France as an opportunity of final annexation and no exertion will be missed to obtain the desirable results.

This quotation from the reports of the meeting of the Conference further reinforced my idea that Mr. Wilson made no serious struggle to secure the enactment of the Fourteen Points into the Treaty. I therefore wrote and asked M. Tardieu whether the American delegates had done more than merely mention the fact that the frontiers of 1814 were not agreed to in the pre-armistice agreement of the Allies with Germany. In his answer M. Tardieu wrote: "En ce qui concerne l'omission de la frontière de 1814 dans les buts de guerre, elle a été indiquée par les Anglais et les Américains mais non developpée. Which means that the British and Americans mentioned the fact that the frontiers of 1814 were not included in the agreement for peace terms, but that they did not argue this question.

In his account of the Treaty provisions concerning the military occupation of the Rhine, M. Tardieu further brings out what small influence the spirit or terms of the pre-armistice agreement had on Mr. Wilson's decisions in Paris. "No annexations, no contributions, no punitive damages"—seems to have escaped the President's attention. The fifteen years' occupation of the Rhine provinces with the power to regulate the tariff of that region is in the nature of punitive damages to Germany and constitutes a continual cause of conflict between Germany and France, but there is a much more formidable objection to

these clauses in the Treaty. Should Germany fulfill the clauses of the Treaty, the military occupation will cease in fifteen years. However, if at that moment, fifteen years hence, the guaranties against an unprovoked attack by Germany are not considered sufficient by the Allied and Associated governments, the evacuation by the troops of occupation could be retarded in the measure judged necessary in the absence of said guaranties.* What are these guaranties in default of which France can occupy the left bank of the Rhine indefinitely? They are, according to M. Tardieu, the treaties by which the United States and Great Britain guarantee France against attack.

How was the consent of Mr. Wilson secured for this clause granting a military occupation of the left bank of the Rhine which may last forever unless both America and Great Britain engage themselves in a military treaty to protect France?

In the reparation clauses apparently double the amount of claims was allowed than that justified under the armistice agreement. No limit was fixed to the amount to be collected. A plebiscite granted in Upper Silesia would deprive Germany of a third of its coal, yet Germany was required to deliver coal to the Allies in quantities which would prevent her industries from operating. The result would be that she could not pay the reparations.

All property of German citizens in Allied and Associated lands was seized. All foreign securities

*Last clause of Article 429 of the Treaty of Versailles.

owned in Germany were to be surrendered. All German interests outside of Germany were to be abolished and all her colonies taken. Germany must give Allied commerce and nationals as favorable treatment as any nation receives in regard to duties, taxes, regulations, etc. This same obligation does not bind the Allies. In practically all instances cited the Treaty breaks the pre-armistice agreement. President Wilson consented to such a mass of economic burdens on Germans, that if they could be enforced, would mean the slavery of that people for fifteen to thirty years.

In other chapters I have shown the flagrant injustices and breaches of the pre-armistice agreement in the Austrian and Hungarian treaties. The President was willing to give the South Austrian Tyrol and Valona to the Italians, although both of these decisions produced national conflicts. He consented to all the breaches of the pre-armistice agreement either because he did not understand what he was doing or because he was not fundamentally interested in the execution of the armistice agreement for which he was responsible.

M. Tardieu says:

> On April 23d, in a private conference, M. Clemenceau asked Mr. Wilson the following question: "The German Treaty as it is satisfies me as a guaranty, but the future is not ours. You have a Senate; I, a Parliament. We can neither of us be sure what will happen in ten years. If the treaties with the United States and Great Britain are not ratified, what will be France's position? What guaranty in place of these two treaties will be at her disposal?" Mr. Wilson answered: "Your objection is just, but the problem is difficult: let us seek a solution."

The solution found was the clause I have spoken of relative to the continued occupation of the left bank of the Rhine. In concluding his remarks about this

clause, M. Tardieu said: "No (British and American) treaties of guaranty; then no evacuation of the left bank of the Rhine in 1935."

America's ratifying the Treaty of Versailles? If she ratifies the Treaty she must also either ratify the joint British treaty of guaranty to France against German aggression or consent to a permanent occupation of the left bank of the Rhine by France. In the latter case she would be morally bound to sustain that permanent occupation on the part of France even by armed force; in the former case she would be drawn into all of the political intrigues which might lead France to extend her military occupation. Such provisions in the treaty are ridiculous; they only make for misunderstandings between nations. It would have been much simpler to throw all sense of honor overboard, with the pre-armistice agreement of the Fourteen Points and establish a neutral state on the left bank of the Rhine. The relative population of Germany and France make it impossible for France to maintain a military occupation of the left bank of the Rhine for fifteen years without war. Such a situation is an anomaly in modern times among European nations. It is perfectly evident that the United States will not join Great Britain in any guaranty against German aggressions. Such a treaty is a defensive alliance similar to the Triple Entente which bound Austria, Germany and Italy. This defensive treaty resulted in Germany and Austria initiating the great World War. Italy, which stood by the terms of the treaty, is generally considered by Europeans as a traitor on that account. It must be remembered that in no instance do governments

in these modern days make offensive treaties; even the secret treaties are always defensive in form.

There is, however, another objection to the provisions of the treaty which I have quoted. The term "guaranty" against German aggression does not appear clear from the text, since the Allied and Associated governments are to decide whether these guaranties are sufficient. This, therefore, is one of those ambiguous clauses which create profound misunderstandings between nations.

M. Tardieu's account certainly reinforces the idea that Mr. Wilson was not deeply insistent, either in letter or spirit, on the pre-armistice agreement. In answer to an inquiry on my part, M. Tardieu writes me:

> As to the guarantees, all the documents of the negotiation from which Article 429 originated show in the clearest way the right of France to remain on the left bank of the Rhine if the two alliances (American and British) have ceased to exist.

It is not necessary to go into further details to understand that the League of Nations is married to the treaties drafted by the Paris Conference for good and for ill and that no divorce is possible. The nature of the treaties must, therefore, color the character of the League.

On the question of Fiume the President made an unexpected and violent resistance. In the end he made an appeal to the Italian people over the head of their government. Even in this document he did not state that the Italian government had agreed in the Secret Treaties to give Fiume to Croatia. Apparently he failed to use this argument on the

hypothesis that, by ignoring the secret treaties, he could eliminate their influence among the Allies. Taking into consideration the agreement to conduct the negotiations on a confidential or secret basis, this public declaration of the President rightly aroused the animosity of the Italians. Why should he pick out Italy to insist on the execution of the Fourteen Points when he had passed over in silent acquiescence so many breaches of the pre-armistice agreement? If publicity was to be used, it should be applied with justice to all. I remember the Italians put their case as follows: "Why did he not have the same energy to unveil the imperialism of the French government in order to force the rejection of the disguised annexation of the Sarre Valley? The Czecho-Slovaks were to be allowed to incorporate 3,500,000 Germans in their country. The Allies were actually permitting Rumania, Serbia and Czecho-Slovakia to treat Hungary very much in the same way that Prussia, Austria and Russia treated Poland at the period of the first dismemberment of that country. This did not look like a peace of international justice based on the self-determination of peoples, but rather like a peace of military imperialism."

Continuing the argument, the Italians pointed out that the Conference expert committee was assigning Thrace to Greece against the avowed wishes of the majority of the Turkish population and the minority of Bulgarians. Serbia was being allowed to make permanent annexation of territory populated by Bulgarians. Rumania was to be allowed to double its territory, absorbing Hungarians, Ruthenians and Bulgarians. Asiatic Turkey was

dismembered in fact and appropriated by the Allies under a mandate system which did not even veil the real purpose of imperialistic colonial expansion.

If treaties of even-handed justice, according to the Fourteen Points, were really to be made, President Wilson was quite right in asking that Fiume be given to Jugoslavia. But such treaties were not in the making. Therefore Italy, the youngest and most demonstrative child among the great nations, cried loudly to have her share in the loot. Of course, the other powers could not stand for this impudence of view.

The President claims that Lloyd George and Clemenceau encouraged him in his appeal to the Italian people. Yet Clemenceau almost immediately made a conciliatory declaration to the Italians stating that France was ready to stand by the secret Treaty of London. The immediate effect of this statement was to give the impression that France was not in sympathy with the President's attitude. It also emphasized the importance of the secret treaties.

Instances of these intrigues might be indefinitely multiplied. The American and Italian delegations were the two weakest at the Conference. For instance, on the question of Thrace the American experts at first sided with France and Great Britain in making a report favorable to the Greek claims to that country. The Italians took exception to this report. The time came in the course of the Conference when many of the American experts had to go home. They were professors and business men who had agreed to come for several months, but in the end had to return to their own occupations. The

American experts on the Balkans changed and consequently the American point of view changed. The American experts now stood out against giving Western Thrace to Greece. In this instance they took their position by the side of the Italian expert.

Signor Orlando, the Italian Prime Minister fell, and Signor Tittoni took his place. Wilson went home. While the experts were debating the fate of Thrace, Tittoni and Venizelos got together and made a deal. Italy was to cede the Greek islands of the Dodecanese to Greece. Greece was to consent to Italy's having a large strip of Southern Asia Minor along the Meander river. Both Italy and Greece agreed to divide between them large slices of Central and Southern Albania. In consideration of this agreement Italy withdrew her objection to giving Thrace to Greece.

I happened to become involved in this transaction. While the negotiations between Tittoni and Venizelos were in the making, a report of them appeared in the papers. The Italian expert was directed to telegraph to the Italian Ambassador in Washington to inform our State Department that no such deal was made. The Italian expert, not knowing anything about the Tittoni-Venizelos negotiations, telephoned to the American expert saying that Italy stood firm by the side of the United States and that no deal had been made. In the meantime, I am informed, the Italian Ambassador in Washington, instead of making an oral declaration as had been intended, made a written communication to the State Department saying: No deal was contemplated between Italy and Greece concerning Thrace. Then Italy suddenly withdrew her objection to giving

Thrace to Greece. When the Italian expert learned that his country had sold out he did not care to face the American expert, therefore he asked me to explain the situation to him.

The humour of the matter now is that Italy and Greece are on the point of rupture over this deal they made during the Conference. Italy has given up her claim on Asia Minor and on Albania. For this reason she contends the Treaty is abrogated. She wants to keep Rhodes. The agreement made between Venizelos and Tittoni was made public in a declaration by Signor Nitti at a meeting in London, February 21, 1919, in Lord Curzon's office. This is a fairly typical incident of the Conference. During the incident the Americans changed front, showed they had no fixed plan and appeared capricious, while the Italians gave themselves a reputation of trickiness owing to the fact that they had no definite policy or principles in regard to the adjustment of the great problems of the Conference. The American delegates had a deep interest in getting a settlement in which national values would be permanently well balanced on the European continent. But their interests were too theoretical, and their knowledge was too uncertain to enable them successfully to meet the accurate plans and definite ambitions with which they had to contend.

The Peace Conference drafted a peace with Germany which, in addition to being a breach of good faith, defeated its own aims. Nevertheless the world conditions are forcing changes in this treaty so that in the end it undoubtedly will be altered in its most objectionable features. In the struggle

which is now beginning, Germany will be well able to take care of herself and we need not waste unnecessary sympathy on her while the richest portion of France lies in ruins through Germany's action.

As a matter of fact, the most serious action taken by the Peace Conference was in making the Treaties with Austria, Hungary, Bulgaria and Turkey and creating so many new states. Taken as a whole this accomplishment constitutes an upheaval in the heart of Europe difficult to direct and control.

CHAPTER VI

Germany

The French point of view that Germany was left intact by the war, except for losses of men, whereas France had a large strip of her most productive territory ruined, overlooks one fact.

During the war Germany was blockaded with a blockade which increased in severity as the war progressed so that to-day she is suffering more from hunger probably than is any other great power of Europe. Since the Armistice, this hunger has increased rather than diminished.

The people had said: "Under a treaty, based on the Fourteen Points, we would at least get food."

But the blockade was continued and, when lifted, it was found that, with food stringencies the world over, the depreciating money of Germany would not buy enough food to satisfy the people.

The American Friends Service Committee has been feeding some 650,000 undernourished children in Germany. The Committee reports that it is not feeding half the undernourished children.

The fundamental trouble with Germany is economic.

Internally, the people's power of purchase has been reduced to a minimum because of the increase in the cost of food products, and so in the cost of living. Food necessities have increased from one

thousand to two thousand per cent. To-day in Germany a minimum cost of living is twenty-five marks, but the standard of living of 1913, the year before the war, would average with to-day's prices of necessities, no less than eighty-five marks a day. These figures show that Germans are living on less than one-third of what they spent before the war.

Salaries of professional men and officials have increased since 1913, a hundred and fifty to three hundred per cent, but skilled and unskilled wages have increased from six hundred per cent to nine hundred per cent.

A real lack of the necessities of life exists in Germany among the unskilled and organized working classes and among the middle classes; these just manage to keep their heads above water. But farm laborers have profited by the increased cost of food products. Merchants and shopkeepers keep going by a continual raising of prices, and organized labor employers have lost the right of "hiring and firing" of employees without the consent of the workingmen's syndicates, which also have a decisive voice in settling the wages to be paid. In politics the workingmen's council plays a very important part. In many respects it is as powerful as is the Reichstag itself. Furthermore, one of the conditions upon which a recent general strike was called off was that the Supreme Workingmen's Council should have the power of veto over cabinet appointments!

Thus the power of this closely organized section of the German people has been growing apace.

Before the war Germany's industries were built on exports favored by shipping freight rebates, sub-

sidies and manipulations as compared with products of other nations on German ships. Most of these advantages Germany has lost.

Factories are shutting down all over the country. The coal stringency promises to be severe owing to the agreed deliveries to France, Italy and Belgium which, according to the president of the miners union, have been delivered by cutting down deliveries to home industries. In the last two months there has been a reduction of 53 per cent in the allotment of coal for house use in Berlin. A large concern which obtained eight million marks of orders in the spring, only received 150,000 marks of orders in the fall.

Unemployment, increasing as time goes on, is largely due to the closing of factories or reducing the days of work. For instance, the chemical factories work from two to three days a week. The electrical factories of Berlin work four days a week. The reason for the closing of the factories is to-day threefold: (1) lack of orders, (2) lack of coal, and (3) lack of raw material. The lack of orders seems due to the inability of manufacturers to compete in export trade with the manufacturers of the United States and other countries. The increased cost of production is due to shortened hours of labor; less efficient because of underfed labor, and increased cost of raw material.

The new taxes are very high. The Erzberger tax law, which is going into effect, explains Herr Erzberger's present unpopularity. The law provides for a tax of twenty-five per cent on all property. And yet, the return of the twenty-five per cent on property of all kinds has not come in.

Labor is taxed ten per cent on wages. Servants

are taxed on their wages and on the food their employers give them. At first, employers thought that they would pay the taxes of their employees but later decided against it. The present economic methods, they maintained, were due to the inefficiency of the Social Democratic Government and they wanted labor to find out exactly how inefficient that government was. Considering the general want in the country, I have no doubt that this action by the employers will result in strikes for higher wages to meet these taxes.

The Income Tax has also increased, especially in regard to large fortunes.

These are only a few of the measures of taxation adopted. They have resulted in the withdrawal of money from circulation. Large sums have been placed in safety deposit vaults to escape taxation, beside the amounts that have slipped out of the country, owing to the confusion and lack of any systematic attempt by the government to prevent it.

The situation is complicated with the depreciation in exchange. The foreign value of the mark to-day is worth two cents; in 1913 it was worth twenty-five cents. This situation is largely due to disorders, strikes, confusion produced by the Revolution, and by the uncertainty of Germany's economic position under the Treaty of Versailles. But it is due especially to the tremendous inflation of German paper currency which has doubled since the armistice and is even now increasing by leaps and bounds.

A further indication of the economic crisis that is coming on in Germany is that the purchasing power of money is steadily depreciating and that

there is no end in sight. The next six months will doubtless test the stability of German institutions to their utmost.

The international weakness of Germany, both political and economic, is due to exhaustion rather than to the crippling of her natural strength. She has, indeed, suffered the loss of 2,000,000 of her youth, and the peace treaty cut the roots of her strong external relations. Indeed it may, if all its details are enforced, prostrate her for years to come. Her discipline has also been impaired—to what degree will be shown in the harships of next winter; in Germany you now see the unusual sight of noisy children, more like American children, demonstrating their independence boisterously on the streets.

But Germany has no mutilation like the devastated areas of France. It is true that her merchant marine is no more but her factories are intact. She has not lost the source of her greatest power and wealth, the industry of her people and the painstaking capacity and organizing genius of her leaders.

Yet comparisons of conditions in France and Germany have little bearing on the real question involved,—the economic revival and consequent stability of Europe. It is universally agreed that the revival of Europe is dependent on the revival of Germany. This for many reasons.

Germany was the economic center of industrial European life. She furnished the machinery which kept the economic life of eastern Europe going. Hers were the middlemen, managers and agents scattered through Italy, the Balkans, Turkey, Russia and Poland, who largely managed the business of those

countries. Her people built up the industries of northern Italy. Roughly, 15,000,000 of her people were occupied in manufacturing for export to all countries. Germany drew her raw material from every part of the globe but chiefly from Russia. Her manufactured goods were shipped back to Russia, the Balkans, Great Britain, France and Italy. She had an enormous export business to the United States.

With her gigantic manufacturing capacity, her exports barely balanced her imports. While she drew raw material from the east and sold manufactured goods in return, her people consumed vast stores of goods manufactured in the west, and thereby Great Britain, Italy, the United States and France profited largely. Germany was also the distributor of American and British goods in eastern Europe and the Balkans. The French were the bankers who invested money in these countries but the Germans carried on the business.

This great export and business development came subsequent to 1890. Before that the Germans emigrated in large numbers because Germany did not afford them means of sustenance. After 1895 she ceased exporting men and exported manufactured goods. Since then the intricate machinery of her manufacturing, business and commercial machinery, each part of which was closely interrelated, has maintained her growing population and in a measure maintained the rest of central and western Europe. On the other hand, Great Britain was somewhat dependent on the German market for her own prosperity and Italy was quite without Germany's business assistance.

From 1895 to 1914 Germany increased in population by more than 20,000,000. During the same period the population of the Austro-Hungarian countries also greatly increased. Germany was able to control the commerce of eastern Europe and the Balkans because she knew the peoples, their languages and methods. This knowledge was acquired by systematic, unremitting perseverance and toil. The methods were not always above reproach but they sold the goods and got the money. Germany's business managers were operating factories, wholesale houses and retail concerns throughout central and eastern Europe.

Peace has produced a large number of new states out of Russia, Hungary, Austria and Turkey and many of these people are on the point of starvation because the Allies cannot induce them to stop playing politics and do business with one another.

In the west Great Britain, France and Italy are in a deplorable economic condition. Great Britain cannot pay her debts, for a long time at least, unless France and Italy pay her. France cannot pay unless Germany pays reparation. These three countries must also have the markets of Germany and central and eastern Europe if they are to remain solvent.

The economic deterioration of Europe involves the stability of the governments and the social fabric of different countries. Consequently the lives of millions depend on economic reestablishment.

I do not mean that actual starvation faces any of the nations, except possibly Austria and Russian Poland. But everywhere mortality is increasing and human resistance lessens as the pressure of

economic deterioration increases. We must therefore examine the situation to discover not whether Germany or France is the better off, but whether Germany under the treaty can rehabilitate herself enough to give proper aid to the restoration of the rest of Europe. The humanitarian statesman has ceased to consider the danger of allowing a too rapid recovery of Germany in the greater danger that Germany will not recover soon enough to carry her accustomed share in preventing the complete economic ruin of Europe. It is as if the Paris Conference had turned into the world a collection of child nations and left them without help to starve on the mountain side.

First we must find out what the territorial divisions in the treaty have done to Germany. The territorial divisions have lopped off a German population of about 5,000,000. Germany faces by plebiscite the loss of from 4,000,000 to 5,000,000 more. Of these losses Upper Silesia and the Sarre valley are the more important, not because of their approximately 3,000,000 population but because of the coal mines and industries in these regions. Thus by treaty Germany has lost seven per cent of her population and by plebiscite may lose seven per cent more.

Moreover the area occupied by the Allied military contains nine per cent of Germany's total population. The economic utility of this population is greatly impaired by the military occupation which hinders free intercommunication between the industrial centers on both sides of the Rhine. All this region was closely related. About 10,000,000 tons of goods passed across the Rhine from and to the

Rhineland on the western bank and only 20 per cent of this was for export or from imports.

Agriculturally, without the plebiscite area, Germany loses about 14 per cent of her grain and fodder crops. In 1913 Germany had 21,000,000 head of cattle; in 1919, excluding the areas taken from Germany but counting in the plebiscite areas, 16,000,000 head. In 1913 Germany had 25,000,000 pigs; in 1920 only 11,000,000. So far the showing is not disastrous, for Germany had a population of 68,000,000 and if she loses all the plebiscite areas she will still have 58,000,000. Her crops this year are good and will last until next June. If, therefore, her industrial situation is sound, there is every reason why she should recover rapidly should she be given a free hand to resume commerce.

How about Germany's industrial and financial life? What resources has Germany?

Two of the world's keystone industries, coal and iron, are more fundamental to German industrial life than to that of any other country because Germany has developed to a higher degree the chemical and dye industries and her iron industries furnish iron in large measure.

In the iron industry Germany has lost 58 per cent of her ores through the loss of the Alsace and Lorraine mines. Through the abolition of the tariff union with Luxembourg, Germany also considers as lost, 20 per cent more. This situation of a total loss of some 78 per cent of her iron ore is not so bad as appears on the face of it. The Sarre valley coal is not coking coal and consequently the French and German manufacturers have some agree-

ment whereby France sends iron to Germany in exchange for coke. This exchange is likely to continue because the French will be slow in developing the use of their new iron mines and must have German coal. Nevertheless Germany no longer controls the iron ore for her metal industries.

In the Sarre valley, Germany lost only 8 per cent of her coal. The conference at Spa provides that Germany should deliver to France, Belgium and Italy about 24,000,000 tons of coal yearly. Before the war Germany consumed 30,000,000 tons of coal, leaving a total of 20,000,000 tons for export. Therefore the requirement for coal deliveries under the Spa agreement does not seem unreasonable. When I called the attention of Walter Simons, the German Minister of Foreign Affairs, to these figures he answered:

> We are not living in normal times. Owing to post-war conditions of undernourishment and underproduction by labor, the mines are producing less than 70 per cent of their normal production. Besides, the lack of efficiency, due to abnormal conditions, has it is estimated, resulted in a loss of power, as compared with pre-war days, of about one-third of the normal.

The loss of Upper Silesia through the plebiscite would prove, however, a great loss to German industries. Upper Silesia produced about 23 per cent of Germany's coal and, taken with the Sarre valley loss of 7 per cent of Germany's total coal, would reduce the country's supply by about one-third. In that case it would be quite impossible for Germany to make deliveries to France, Italy and Belgium and still keep her own factories going.

It might be said that Germany could procure coal from Silesia even if it were under Polish dominion.

The political situation in Germany and Poland makes such a hypothesis impossible. Just as Czecho-Slovakia has kept her coal for her own uses and starved Austria and Poland, so Poland would not deliver coal to Germany. This is made more probable because the Germans will not give Silesian coal to Poland. Indeed, one may say that Germany, if she delivers coal to France, Belgium and Italy, cannot keep her factories going and send adequate coal to Poland. The Germans say that the Poles have sufficient coal on their side of the frontier, but that they lack the managing capacity to mine, and the efficiency to distribute. The fact is that Poland, since the peace, has been principally occupied in organizing her army and has done little to straighten out her lamentable economic situation. The Hoover people coming from Poland report that Russian Poland has neither food nor coal. The Posen district alone has a food organization. Surrounded by enemies and unable to disband her army, Poland faces starvation. Nevertheless Germany is alarmed and rightly so, at the possible loss of Upper Silesia. The Poles in that region have adopted German methods of terror and have gone them one better. The Poles have at least a negative support of the French Mission in this campaign of propaganda. Only one man in the whole Allied Commission, so one of our American investigators in Upper Silesia told me, had not taken sides. The French naturally favored the Poles and the British favored the Germans. No one who has been in Upper Silesia believes that, under the reign of terror which exists, there can be an impartial plebiscite. Both Germans

and Poles are conducting a campaign of hatred and even the present German-Polish Korfanti Agreement has not changed the situation.

The whole situation is complicated by the oppression of the miners by the mine operators. There are mutual recriminations. There are also charges that, on the one side the British and on the other the French have interfered with the spirit and loyalty of the population. The heads among the Allied governments now look for a large measure of autonomy for Silesia with the control of its coal in the hands of neutrals who would attend to its distribution.

The present conflict—in reality almost an armed one—may close the mines. Europe, however, must have Silesian coal this winter and therefore the Entente may be compelled to take the situation into its own hands. Poland might and Germany certainly would accept such a solution, provided it was guaranteed by a non-partisan control so as to get a fair share of the coal.

Commercially, the German conceives himself as a man at bay with his back to the wall, sound of limb, but pent in by an angry crowd. He is barred from the sea by the loss of his merchant marine, forbidden the east by the anger of France and separated from the Levant by hostile Czecho-Slovakia and Rumania. He sees everywhere the agents of the Entente blocking his moves. He is separated from Russia, his great hope, by two walls. He has already overcome one of them by a commercial treaty with Lithuania and, in consequence, Lithuanian Kovno is now humming with German and Russian business agents.

But in the Polish corridor to the ocean he sees a hateful barrier. He complains that the Poles are unwilling to make a Convention for the intercommunication provided by the treaty, that they allowed only one-seventh of the normal number of freight cars to pass from Germany to East Prussia, that they do not allow German trains but only individual cars, that these passenger and freight cars are not sent over through lines but over side roads, that they examine freight on the frontiers and subject it to indefinite delays instead of letting sealed cars pass through and that the coal cars from Upper Silesia disappear from the corridor, never to reappear. Germany does not know that these methods are now normal on the frontiers of all the small states in eastern Europe and that the Poles are doing only what their neighbors practice.

What are the causes which have led to the political instability wherein the new German Republic balances uncertainly between the threat of Junkerdom and the danger of a Proletariat upheaval?

The German people, like every other people in Europe, accepted a prospective peace of conciliation based on the Fourteen Points. Relying on these promises, they dethroned every king in Germany and established a Republic.

But the militarist Treaty of Versailles, with its terms and reprisals, convinced them that their new leaders had been tricked just as the old ones were beaten. This you hear all over Germany.

Germany might have accepted the separation of Alsace-Lorraine, of Posen and of most of the other territories, though inhabited by a majority of her

nationals, if it had not been for the treaty clauses which dismembered the country's economic machinery.

This machinery is the life of Germany. She depends more upon it than is the case with any other nation of Central Europe. In France, the economic industries have only a subordinate part in the national life; they depend largely on articles of exclusive production, due to special qualities of art and capacity. But Germany's foreign trade had become the very roots which kept the nation alive. They served a vast and complicated machinery and a keen, internationally competitive production which bound the whole nation and its resources together into interrelated dependence. Moreover the roots, in a minute system of millions of tendrils, extended to foreign lands.

The Germans see the execution of the Treaty of Versailles, nevertheless, put into the hands of foreign governments, aroused to hatred by the wrongs which Germany practiced during the war. This hatred is accompanied by power to keep her economic machinery disjointed and to keep her root-system severed from other lands.

One can get an immediate birdseye view of Germany by visiting Hamburg. The magnificent docks there have been swept clean of German shipping. A few small foreign ships are at the docks which, before the war, furnished barely room for a tremendous tonnage. There are approximately two thousand moving cranes in the harbor; on the day when I visited the port about a hundred of these were working. The shipyards are building ships for the

Allies and small ones for Germany. At anchor rode the unfinished Bismarck, a leviathan of 55,000 tons, 970 feet long. When finished, this mammoth must be delivered to the Allies if they want it. Dismantled warships lay on their sides along the docks. A German authority told me that the Allied Naval Commission had ordered these ships to be taken to pieces and the plates to be taken to England. Of what use these perforated plates can be I cannot conceive.

Mr. Kuno, of the Hamburg-American Line, expressed doubt to me whether the Allies would enforce the demand for 200,000 tons a year of shipping to be built for them by Germany. Already the British shipyards lack orders, he said, adding that the British had made overtures to sell back to Germany ships taken from her; delivery by Germany of 200,000 tons a year, principally to Great Britain, would tend further to put the British shipyards out of business.

In Bremen I found that the imports of cotton had now reached about thirty per cent of those in prewar times. Everywhere, however, in Germany you are told of the lack of foreign orders for export and the consequent closing of factories. In addition, Mr. Kuno complained of the government control of export; it is necessary to get the permission of several departments to ship goods abroad. The government also determines the minimum rate, in order that German goods may not be sold below world prices.

This government control is cumbersome, is liable to be mistaken as to world prices, and leads to corruption. The manufacturing situation has thus by

no means reached an equilibrium. Some things in Germany, like aluminum, have risen above the world price, whereas iron is still below the world price.

As to railroads, a government report shows the change in Germany made by the war. Long before the war the railroads of Prussia made a profit of 500,000,000 marks (normally $125,000,000). Last year the deficit on these same railroads was 5,300,000,000 marks (normally $1,325,000,000). Of course, in comparing these deficits and figures, the depreciation in the value of the mark must be considered.

Bad as it is, Germany's economic internal condition is not by any means desperate. This because of the industry of the people. A workingman said to me: "My family and I get a little meat once a week, but I believe we are better off without too much of it. All we want is work to do. We will show what we can do." This is typical of the attitude of the people.

It is the lack of foreign commerce that is going to affect Germany most adversely. Fifteen million people here live directly from it. If there is to be a prolonged economic crisis in Europe, increasing in intensity, then indeed the prospect for Germany as well as the rest of Europe is disheartening. This winter will prove the need of putting Germany on her feet to help in the rehabilitation of the rest of Europe. What then are the economic conditions of Germany upon which the reconstruction of the whole of Europe in a measure depends?

That which depresses Germany most of all is the indefinite reparation fund that hangs over her head and that may be used at any moment to milk the

country through the Reparation Commission if Germany shows signs of reviving.

There are also treaty clauses, permitting the Allies to discriminate against Germany and German trade, without giving Germany the right to retaliate. Finally there is a clause which gives to the Allies a general right to punish the Germans for not fulfilling the Treaty.

No such acts can be treated by Germany as acts of war.

These dangers are all somewhat alleviated by the attitude of Italy and Great Britain, which desire and indeed must have the rehabilitation of Germany. France alone stands out for the letter of the Treaty. Yet many people in France realize the situation. For instance M. Henri Lichtenberger, the well-known French novelist, writes to me:

I believe it was a great misfortune that President Wilson did not succeed in realizing his conception of a Society of Nations and that he was not able to have a Society of Nations undertake to liquidate the war by restoring the devastated areas and raising, in all the nations, victorious and vanquished, the necessary sums for indispensable reparation.

As international cooperation was not established, and, as each people thought to find relief in its own resources, the inevitable result, especially for us French, is the arising of a very dangerous situation. We are face to face with Germany and are almost alone against her to force the execution of a treaty which cannot be executed—which she had decided in any case not to execute—and yet on which, unfortunately, our economic future and our security depend.

On this account, every day there is antagonism more threatening and distrust increasing on every side. This comes from the fact that a Society of Nations does not exist to guarantee the execution of the Treaty.

The Allies ought to get in behind some party in Germany. Evidently the majority Social Democrats, if supported by the Allies, would safeguard

Germany from reaction on the one side and from Bolshevism on the other. There is no logical alternative.

Such men as President Ebert, Erzberger and others were thoroughly determined to do all they could to make Germany democratic and to do everything possible to execute the Treaty. The Allies called for the surrender, not only of the chiefs of the monarchy but of all sorts of individuals in every part of the country. These people stirred up indignation, because, though they had played no important rôle, they were called upon to face international responsibility. What was worse was that the Allies then backed down, reinforcing the impression created by the return home of the German army with its weapons that Germany was not beaten. There is also a tendency on the part of the Allies to identify the military leaders with the people whereas, even after the terms of the Treaty were known in Germany, the leaders of the Social Democrats held the monarchical generals responsible for the war.

In regard to the surrender of rolling stock, machinery, cattle and military equipment, the German Social Democratic government was in a difficult position. The overwhelming upheaval of the country, which upset completely all political, economic and social life and the German government, was subjected to continual attack from both parties, each seeking to throw the country into further disorder for the purpose of seizing power. The stability of the government was constantly threatened. Every time it executed one of the demands of the Allies, it was met with an attack from the Conservatives on the one hand and the Reds on the other.

Under these conditions, the Allied governments, in their own interests, might have lent their support. But the Social Democratic leaders had been constantly abused by the Allied newspapers and governments. Rarely has a word of commendation been uttered for the things accomplished by those leaders. They have been given little credit for the engines, rolling stock, coal, cattle, war material and other items which they have delivered to the Allies under difficult conditions.

They have, however, been unreservedly abused for the things that have not been delivered. Many demands by those of the Allies on the Commission in Germany, who have studied conditions within Germany, have been quite beyond German power to execute. The German government has thus been weak in this way: Reactionaries and Radicals both accuse it, saying, "This middle-of-the-road government is exhausting our country without even securing the good-will of our enemies."

It has been especially difficult for the Government to collect and deliver the small arms. These are distributed all over the country, in the hands of individuals, who hide them. The danger is that the orderly middle classes will give up their arms, leaving the lawless portion of the country armed.

M. Benes, Minister of Foreign Affairs, in Czecho-Slovakia, assured me that most Germans, after the armistice, were against any return to militarism and that, even after the Treaty, were favorable to democratic institutions.

Public men in Europe, acquainted with the situation, are unanimous in feeling that, within ten years, Germany cannot undertake any great military oper-

ation against France or any of the great powers. It has been urged upon me that during such a period everything should be done to encourage Democracy in Germany and to discourage Junkerism and Militarism so that, in the end, Germany might turn out to be a country with which one could live peaceably as a neighbor. The present Government has been so pettily persecuted by the Allies and abused by Radicals and Reactionaries that it has arrived at a point where it does not care and is almost ready to turn over the reins to its critics.

It would have seemed natural for the Allies to consider that they must live with the German people as neighbors and that it would have been only good politics to encourage the view that the militarism, which caused the disastrous war, was the product of the Monarchy's military caste and that the German people were not responsible but only misled. Such a policy would have been based upon rational grounds.

The principal effect of the defeat, and the treaty developments on Germany, has been the complete overturning of social values. In no other country was the established order of society more clearly marked or more universally accepted. Each career followed a beaten course. The part of the population which gave Germany power and vitality was kept down by artificial standards. Its share of political and public life was definitely limited. To the Junker class and the soldiers of noble families belonged the pre-destined right of government at home and of conducting the nation's international affairs. Merchants, manufacturers and the great masses of the people accepted this doctrine with

their inherent respect for an established order of things. This system, in no wise corresponding to the developments of the modern industrial state, was accepted by the peasant and the workingman with simple German faith. It is true that the Socialists fought against it, but with little success, and so the nation was driven before a machine, the rigidity of which remained unchanged by time, into the cataclysm of war trusting implicitly to inherited leadership.

When the crash of defeat of this artificial structure came lumbering to the ground, their fundamental beliefs were ripped from under the feet of the German people. Class prestige disappeared. Then followed a different organization and confused efforts. The old gods had been overturned and the people were groping in the dark. Which way they will turn is still in the balance.

No one in Germany knows who is master or who is man. Just as in every other country, the Germans do not fully realize that other people suffered more than they did during the war, and, consequently, the hardness of the terms which their enemies imposed tended for a time to draw them together in the bitterness of self-protection.

The strength which made Germany so formidable still exists. One of the most experienced British observers of Germany said to me that it was in the Allies' power to direct this strength. Seeing that a coalition government can satisfy no one by its internal policies, the present goverment's only chance for stability lies in what concessions it can get from the Allies in foreign affairs. A few concessions on their part, and some avoidance of offending the

nation's pride, would greatly strengthen the Ebert government.

Recently German hatred of France, which existed for the most part only in the Junker and Military classes, has been extending deeply into the people. The Junker clings to his tradition that the fist is the best instrument for national self-assertion. This belief, shaken by the Revolution, may well revive again in the people if the hardships imposed upon them increase and they continue to be classed by the Allies with their former leaders.

A division seems to have appeared in the ranks of labor. The Independent Socialist Committee, after its return from Russia, condemned Bolshevism. Thus a break threatens the Independent Socialist Party, the largest party in the Reichstag to-day.

In opposition to labor with Communist tendencies, stands the reactionary Junker Party. In the important industrial centres of Germany are Socialists, Junkers and land proprietors, whose adherents are of the military and professional classes. These also have large support among the peasants whose landed interests they defend against labor and who abhor and fear Communistic theories. The industrial workers, although armed, have relied in the past on the general strike to secure their authority. The Reactionaries count on the use of armed force to recover their lost authority, which they exercised for centuries in Germany, and which they consider essential to the prosperity of the country.

The failure of the attempt to seize the government last spring, which they think due to the lack of proper organization, has not driven the Reactionaries to abandon hope of getting control of the govern-

ment. The headquarters of the reactionary Junkerdom, are in East Prussia and their close proximity to Bolshevist Russia spurs the Junkers to constant and renewed effort, for they are not permitted to forget the necessity of armed victory to protect their vested interests or the danger of their complete overthrow by the forces of Communism.

In Prussia the centre of the Communist opposition to the Junkers, is found in Berlin, and the west. The reaction, however, has other firm support in Conservative Catholic South Germany,—in Bavaria, Wurtemberg and Baden. The headquarters are naturally in Munich which will never willingly accept the domination of the Prussian Communists and the Lutheran north supported by the industrial regions of Thuringia and Westphalia.

The Separatist Movement in the south is perhaps not yet marked but it exists and is being reinforced by the orders of the Berlin government to disarm the Sicherheitswehr. This body of citizen volunteer police is made up of the Conservative middle classes and insures order against any uprising in the country.

For some time it has been apparent that the French are not unfavorable to a Separatist Movement in Catholic Germany. By uniting Bavaria with Austria a Catholic, conservative state could be created. This, in the opinion of France, would counter-balance the Lutheran-Communist North Germany and render it less dangerous to France.

Such a plan appears to ignore the closely interwoven industrial system of Germany. It would probably break down completely if the separation occurred—especially if one considers the strain under

which this organization is placed by the losses sustained in Germany through the Treaty.

What would happen to the great industrial centers of the north if, besides losing the foreign markets, they should also lose those of the south by the creation of a hostile boundary drawn against them by the secession of Bavaria?

Although the French government has sent a minister to Bavaria, the Separatist Movement has not really reached a serious stage.

But the internal conflict, which may arise from an outbreak of either the Junker party or the Communist, is a very real danger to Germany. The large landed proprietors have been attracting to their estates young men who were in the army and have been training them. The Reactionary strength is supplied largely by the considerable number of regular officers who have been thrown out of employment and who, by training, are unfit for the competition of commercial life. The outbreak may come from either side and may be precipitated by the hardships of the coming winter which, economic conditions show, are inevitable in Germany. Both the Communist and the Reactionary parties through their organizations can conceal arms better than the middle class Republican element of the community which forms the support of the present government.

In this trying situation, the present coalition government maintains its power by playing the Extreme Left against the Right. If the Junkers appear to be getting the upper hand, the government sets in motion the organized power of Socialism against them, as in the case of the general strike t March. When Bolshevism showed its head, the

government had its employees and the forces commanded by Reactionary officers suppress it, as in the pacification of the Ruhr district last spring.

In this very difficult situation the reduction of the German army to 100,000 men may play an important part and may well prove that the government cannot maintain peace and order with the army left at its command.

The whole situation may turn on the severity with which in the coming months the crushing terms of the Treaty are enforced. In the minds of Germans this question overshadows all others. For, by this means, Germany's economic life may be brought to a definite crisis. There were those in the National Assembly, like Scheidemann and Noske, who favored rejecting the Treaty and defying the Allies to do their worst. Erzberger's advice prevailed. His plan, which found support among the laboring classes, was to accept the terms in the hope that, with the passing of time, the need of economic rehabilitation would soften the hearts of the Allied governments and lead to the abandonment of the severest clauses.

There was undoubtedly also hope that the divergent interests of the Allies would draw them apart and lead as well to concessions.

CHAPTER VII

France

No consideration of peace terms made by the Paris Conference would be adequate if it did not lay emphasis on the sufferings of France from the war.

For four years France had borne the brunt of the fighting. Her chief industrial district had been destroyed or looted. Over a broad strip of smiling land, villages and towns had been wiped out. After the fashion of barbarian days, they had been in many instances razed to the ground. Rich coal mines had been put out of commission by the orders of ruthless military staffs, which laid waste without provocation. The land in the immediate battle line had been deeply burrowed with explosives so as to destroy its fertility for a period of years. Architectural monuments of priceless worth, the inestimable heritage of the French people, had been hopelessly damaged or destroyed. The population in this rich region had been reduced to pauperism. The destructive rage of the German military machine followed the example of the most barbarous armies of any century. Without the slightest military excuse they cut down the fruit trees of the peasants over a great area of ground. Above everything else France had lost the flower of her youth, the vital strength of the nation.

The responsibility for the present condition of France rests primarily on Germany; secondly, on

the system of alliances founded on military competitions and seeking economic privileges.

France had the least to gain from the impending conflict in Europe. France was forced into the military balance of power in Europe. Germany's increase in population, her increase in industrial production, her increase in armament, her increase in navy and merchant marine were all threats to British trade supremacy, British control of the seas and British colonial empire. But France was more vitally threatened because the heart of her country was within striking distance of the German frontier. Great Britain entered the Entente Alliance to protect her control of the high seas and her commercial supremacy on the high seas. France entered to save her very existence.

Germany was like a huge receptacle containing tremendous vital forces pressing with ever increasing power against the side of this container and threatening to explode. The weak point in the receptacle was the French frontier.

France actually bought her alliance with Russia. The French people paid in loans billions of francs to Russia as insurance money against an attack from Germany. This must be remembered when France now insists on getting paid back. Is it not natural that France should demand that Germany make good the destruction she had brought and that French territory be guaranteed against attack?

After the revolution in Russia and the consequent inability of the Entente to carry out its military plans in which Russia was to play an important part, Allied statesmen were inclined to take a moder-

ate view of the terms of peace to be demanded from Germany.

It was true that America had already come into the war. But it was not yet evident that her effort would be a considerable military contribution to victory. Some public opinion began to doubt the advisability of continuing the butchery if even an inconclusive peace might be made.

M. Painlevé was then Prime Minister. M. Briand, although not a member of the Cabinet, addressed to M. Ribot, Minister of Foreign Affairs, a letter advising unofficial negotiations with Germany in view of making peace. He had been approached by the emissaries of the German government. In this letter he said:

Those who are directing the affairs of Germany have a strong desire for peace. But they cannot see any possible solution by a direct contact of governments. . . . They understand that even a beginning of official negotiations is inacceptable to us since it might result in our soldiers dropping their arms.

On the other hand the directors of Germany must count with public opinion especially with excessive Pan-Germanist tendencies. They cannot publicly announce war aims based on extended concessions by Germany without knowing in advance that such terms will be accepted. Therefore they think these terms should be prepared unofficially.

M. Briand stated in this letter the following terms which, it was thought, Germany would accept in advance:

1. There can be no question of breaking unity between France and her Allies. The cause of France cannot be separated from that of her Allies. The pact of September 1914 remains unchangeable.

2. No matter what the issue of the proposed conversation may be, official negotiations for peace can not be entered upon before the evacuation of Allied territories by enemy armies.

3. From the French point of view the only admissible peace basis is the integral restitution of Alsace-Lorraine.

4. The restitution of stolen objects is a *sine qua non* of peace,

as well as the reparation of damages, provided a formula excluding all idea of penalty is adopted.

5. The question of guaranties, admitted in principle, remains to be discussed as to character and scope.

6. On the other hand, there is no possibility of discussing the left bank of the Rhine.

7. Only a complete peace can be accepted, economic as well as political, for the German people cannot accept any limitations of their working capacity and their economic expansion.

It will be noted that these terms are in line with the pre-armistice agreement subsequently made by the Allies with Germany.

M. Painlevé did not communicate these proposals to Allied governments because he said he doubted their sincerity and was hostile to non-official negotiations.

Nevertheless the French people, I think, would have accepted these terms at that time.

In Germany, the Crown Prince, reflecting public opinion, had written to the Emperor advising immediate peace. Each belligerent government, however, had not abandoned the hope of carrying through its own imperialistic program.

The entrance of America brought a renewal of hope of victory, which grew in enthusiasm among the French until it reached its height after it became apparent in the battle of Château Thierry, that the armies of the United States were formidable fighting units capable of breaking the dreaded German offensive.

It was not astonishing that the United States was loved and almost venerated at that time. When President Wilson came to Europe, his prestige as representing America in France was preeminent. The people looked upon him as the greatest hero of

the war, who was bringing with him a system under which the world was to reestablish itself. The Foreign Offices of Europe, and that of France in particular, were in the habit of regulating international relations along lines well established in international diplomacy, by which, in a sort of game of chess, peoples were used as pawns. For this purpose the press in France was controlled by the government; the government officials of course were patriots, but their patriotism was that of colonial expansion and a patriotism pursuing the aims of groups of financial and military men which did not take into account the world disaster that had overtaken all, but sought definite things for definite profits.

The President's program stood in the way. European statesmen had persisted in not announcing their war aims. Yet in spite of the shoulder shrugs which met his declarations when he announced that terms of satisfactory peace could be reached only with a democratic Germany, by the force of an idea alone he dethroned the Emperor William II and all the kings of the German confederation.

Then began a subtle campaign to undermine Mr. Wilson's strength with the French people. For here was a man dangerous to established international traditions! Was he not, in Clemenceau's phrase, the "amateur anarchist?"

The first and natural assault was that Wilson had not seen the devastated area. The second was that he talked like a professor. He did not know what war was. "We must educate him in practical matters," they said. The French led by the press, were naturally stirred by the condition of destruction in the north of the country, and they began to reproach

the American chief delegate at the Peace Conference for not understanding the sufferings of France. Was it right that the treaty should not be a treaty of punishment?

Nevertheless, the vast majority of the people continued to believe in the Fourteen Points as best fitted to bring on an era of peace. If the public men had announced openly their plan and had said: "Now that we are masters of the situation, let us throw over our agreement and divide up the world according to our pleasure," the people would have revolted. But this frank method was not pursued by public men. They planned to besiege the chief American delegate slowly and in this way undermine his program. They began by calling the German revolution camouflage, yet all the time convinced that it was real as shown by the terms of the armistice.

As concerns Russia, in spite of French revolutionary tendencies, these public men supported a policy of half-baked intervention there with the idea always in view not of reestablishing the old régime whose horrors they had consistently suppressed in their press for years, nor those of the Russian revolution which they took pleasure in exaggerating. Clemenceau, after the victory in the Balkans, had turned the army of Salonika from its intended march on Vienna towards Odessa.

In their estimate of their needs in the family of European nations, the French public men have as their guide traditions of history which are almost instinctive as to principles, which must control their policy. The difficulty for an American in getting at

the French point of view is that what they accept as the necessary principle underlying the adjustment of Europe are things which appear to us as inevitably leading to war. After considering the question I have arrived at the conclusion that the basis of the French point of view is founded on historical relations of European nations in which the economic development of the world during the last fifty years has an insignificant place. According to their view, everything that has taken place since 1870 may be wiped out as a temporary setback in the development of civilization.

One of the Ministers of the French Cabinet said to me when I remarked that the problems of European politics were tremendously difficult: "Not at all, if you take the right principle as a guide, each problem becomes simple. In each political situation you must ask what effect will a certain decision have on Germany. If it weakens Germany, then it is a correct decision."

It is extremely difficult to get at any one French point of view. French public opinion is not as it is with us, a unity of opinion in which the process of reasoning follows similar lines. At its surface you may find an agreement of purpose, but this agreement is composed of multitudinous group processes which seem to the outsider contradictory and without possibility of agreement. Public opinion forms itself around groups of family, of politics and of tradition basic in an old civilization like the French.

At present there is a reaction in France which in a way harks back to the days of the supremacy of the country in European matters. Royalism has momentarily revived its hopes. The royalists are

more outspoken to-day than they have ever been in the history of the last decade. The elections in France were a victory for the reactionaries. The reactionaries took advantage of the Bolshevik situation and frightened the peasant into thinking that his possessions would be taken from him if the radical and liberal elements were successful in getting into power. The support given by a portion of the French Socialists to the Russian Bolshevik cause was one of the elements in this reaction.

The royalists are now outspoken in declarations which they would never have dared to make before the war. They say that France owes her greatness not to her republican institutions, and that the Republic did not even win the war, because the methods adopted during the war were royalist methods, the strong hand, the suppression of freedom of speech, etc. These royalists are affiliated with the clericals and with the high command of the army. This is their principal strength. In numbers these peoples are a negligible quantity. But through the church and the army they can at any moment become important factors in the political situation in France. They will, in my opinion, never control France again, for France is inherently democratic at heart. They have several newspapers, the most important of which from a political point of view is the Action Française. This paper sprang into power when it made accusations against many public officials in France of betraying their country. These accusations resulted in the trials of Almerida, Bolo, Caillaux and others. It was the Socialists and the political Left in France who had an international spirit. It was practically on the liberal leaders that

the accusation of the betrayal of France fell. Naturally this has also strengthened the political Right.

After the war of 1870 there had been a coalition of Monarchists, Royalists and Bonapartists under General MacMahon when Gambetta came into power under the new republic. The Monarchists were expelled from the bureaucracy of the government offices. Gambetta was, nevertheless, perfectly willing that the Monarchists should maintain themselves in the army. Consequently the staffs in the army have been strongly colored by monarchism. Sons of families of monarchist traditions followed the career of arms. These families were of strong religious tendencies. Their children received their elementary education in the Jesuit schools, which, although suppressed, continued their existence under other names. As a consequence, the staff of the army has always had monarchical and clerical inclinations. For this reason the Dreyfus trial has such a political significance in France, because it was considered by liberals as a monarchist and clerical effort to eliminate outsiders from the French staff. Since the war some of the sons of royalist families, whose fathers had accepted the republic at the time of the extinction of the direct line of Bourbon inheritance, have returned to their royalist beliefs.

President Deschanel's illness and the necessity of his retiring from office stimulated the royalists to put forward General Castelnau as their candidate. I have mentioned the revival of the monarchic party in France, not because I believe it will have any chances of success, but because of the influence which military men of monarchic tendencies, who held important positions in the various post-war mis-

sions which France sent out, have had in directing the relation and policy of France towards countries in central and eastern Europe.

All of this monarchic movement is much more important in its effects upon the relations of France to other countries than it is within the country itself The real France does not rest on the movement of Radicals of the extreme Left, or Monarchists of the extreme Right. The power, the stability, and the worth of France lie in her peasant class in the country and her bourgeois class in the cities. These people are gathered in family groups in which traditions and prosperity form the binding force. They love their life and their country with passion, because their life is a well-balanced one in which toil, pleasure, beauty and contentment are mixed in rational proportions.

The French have the facility of surrounding their life with attractive and beautiful things and of finding enjoyment in simple pursuits. France manufactures human happiness and life-attractiveness. It is this attractiveness of life in France that draws so many strangers to her. They love to live in France, though they criticize the French.

But when they criticize the French for backwardness in economic, commercial and industrial development they forget that France contributes quality, not quantity. Her contributions have a special or art value which really is outside the level of world industrial production. Even if the metric system were universally adopted, it would be a mistake to measure peoples with the same meterstick. Numbers in population and in manufactured products are

not necessarily the measure of a people's greatness.

If you estimate the heroic action of France during the war you discover two qualities; first, the great capacity for spontaneous, stupendous effort with limited material and resources; second, the brain power to gather to her assistance the support of other nations and the capacity to direct this support.

The French people are a family people. They are absorbed in their own groups, communities and country. They travel little and are not interested in other peoples or other countries. They have little knowledge or influence in the doings of their government in relation to foreign affairs. It is, therefore, unfair to judge France by her foreign policy, which, in its details, is quite unknown to the people and only reaches the masses when some great emergency calls for their participation or raises their transient interest.

The following statement was made to me by a foreigner with disgust and by a Frenchman with pride: "The French peasant will give his son to be killed at the front, but he will not part with his money." This statement, like many others concerning France, is understood by Frenchmen and not by foreigners. The peasant gives his son, as our farmer does, to defend the country. He also gives his money, but in giving his money he offers resistance, because he knows the government is extravagant and wasteful, and will exercise more economy if kept short of funds. The money of the peasant comes hard. His resentment against government extravagance is the stronger, because what he hoards he will leave to perpetuate the holdings of the family about which his whole life has centered.

The Frenchman adapts his life to his means. The small bourgeois, with a little store, is perfectly satisfied and does not seek to expand. Once a Frenchman has found his place he does not want to change. His life would be disturbed by expansion of business and the consequent increased labor.

The French papers carry little commercial advertising. A friend of mine wanted to introduce the American system of department store advertising. After securing the contract from one of the big Paris papers he went to the department stores. They all refused his plan. They informed him that "we have all the business we care to do; we should have to expand if we did more, and we do not want to expand."

The home-loving French are not imperialistic. They do not desire expansion. They do not want to make any aggressions against their neighbors. They want to be left alone to pursue their happiness at home. There is only one characteristic of the French people which has in the past made them tools of imperialism They have the military instinct and tradition, and their imagination is easily stirred by the appeal of war.

As the attitude of France has much to do with the conflict brought about concerning the treaty with Germany, it is well to examine the desires and wishes of the French people as they have developed since the close of the war. Perhaps public opinion is more controlled by the press in France than in any other country in the world. Paris has fifteen morning papers representing various shades of opinion from clerical royalist to red communist. In all these papers it is not so much news that is printed and

read, as editorial comment on the news. All these papers, such as the "Petit Parisien," the "Petit Journal," the "Matin," the "Temps," the "Journal des Débats," the "Echo de Paris," the "Figaro," etc., run from a few thousand to two million circulation. Most of the papers are controlled by an advertising syndicate, but they print few commercial advertisements; they depend for their existence on a "Financial Publicity Syndicate." This Syndicate has a monopoly of the business.

The chief occupation of the banks of Paris before the war was in selling foreign loans to the French people. The "Financial Publicity Syndicate" took charge of the publicity for floating these loans. The Syndicate not only pays for articles in favor of certain investments, it also pays for the suppression of revelations attacking any financial operation. The same interests which own the Syndicate also own the news agency, "Havas," that is to say, the manager of the "Havas" and of the Syndicate is the same man. For many years the "Havas" has had almost a monopoly as news agency in France.

Those two enterprises are financed by certain industrial groups, the most important of which is the French steel trust or *Comité des Forges.* As a rule the Syndicate has allowed the different papers to pursue their political conflicts undisturbed, but when anything of importance comes up the Syndicate put on the screws and each paper is obliged to submit. Two instances will suffice to show the nature of the methods pursued.

(1) When the new charter of the Bank of France was under discussion two years ago, a friend of mine secured the confidential report on it of the

financial secretary of the government. The report brought out certain conditions in that charter unfavorable to the public. My friend was working on one of the large papers of Paris. He published a mild article intimating certain objections, but not discussing them. The directors of the Publicity Syndicate called him up and, not being able to induce him to refrain from his purpose of publishing the objections to the new charter, expressed in the confidential report of the government's financial secretary, appealed directly to the managing editor. All further discussion of the charter was at once eliminated from the paper. The Financial Publicity Syndicate has also close relations with the Government.

(2) In the Caillaux trial the accounts of the Turkish loan were examined in the court and it was found that nearly all the Paris newspapers and the managers of papers had each received sums up to 250,000 francs in payment for their support of the loan. In this way the banks can unload foreign loans on the public. For this reason such loans play an important part in the foreign policy of France. The Russian debt under the Tzar's government, for instance, is owned all over France. There is hardly a small shopowner who has not one of the Russian bonds. Therefore the French government must secure the recognition of this debt by the Russian Soviets before it will be permitted by popular opinion to establish any friendly relations with new Russia.

During the war the censorship and government propaganda quite subjected the press to the will of the government and the military. Every publication was regarded as merely a link in the chain of the

pursuit of war. Telling the whole story was not always permitted. When the French army in retreat had almost reached the Marne, the French Cabinet was discussing whether it should allow General Joffre to abandon Paris and retreat to the south. Under the leadership of M. Briand, the Cabinet finally ordered Joffre to stand and fight. While this was going on, the Paris public, quite uninformed, supposed that the French armies were almost on the Rhine! It was during these tragic days that the first Communiqué of the French staff was issued. It said: "Everything goes well from the Meuse to the Swiss border." Parisians gasped: "What, from the Meuse to Switzerland! We supposed our armies were invading Germany and here we find the Germans are at the gates of Paris."

The French propaganda department was often frank in private conversation. The head of one of the departments said to me: "We have to lie about our enemy to keep up the anger and the spirit of our people. Personally I don't believe the German people are a bad people."

Members of the American Intelligence Department told me that the British invented out of whole cloth letters found on German prisoners showing the demoralization of the German army. It is unnecessary to multiply instances. I myself have had perhaps half my written material cut from my articles. A third of these erasures were based on military necessity. Two-thirds were made with the purpose of deceiving the people at home. On one of my trips to the British front, I witnessed an attack and saw the wounded brought in and was told by the returning officers of the great British losses. When I sub-

mitted a telegram to the British censor in which casualties were not mentioned, I was requested by him to say that "the casualties were light."

During the war the press of Europe degenerated into the tool of publicity of General Staffs and governments. Suppression of news, half-truths, deliberate falsehoods, and masterly perversion made the press a powerful weapon of deception. Unfortunately the perversion of the press continued after the war. During the Peace Conference many governments maintained the censorship. Since that has been removed, the intolerable government control continues. For instance, one of the staffs of the Radio news Agency published a brief summary of the riot in Frankfort over the occupation of that city by French colonial troops. The next day a member of the French Cabinet sent for the Radio manager and raked him fore and aft for publishing the news. To-day no adequate European news is published in any one country with the possible exception of England, and even there much is suppressed. The statement given out by General Nollet, the head of the Allied Mission for the disarmament of Germany, was accorded a few lines only in an unobtrusive position by two French papers of importance. Yet this statement said that Germany was in a great measure disarmed, that there was no fear of an attack on France, but that Germany was not morally disarmed and that pressure should be continued in order to change the mental attitude of the German people.

When the armistice was signed the European press had quite abandoned its real function. The members of the Allied Missions in Germany are of the opinion that the German government has practically

done its utmost to carry out the terms of disarmament and yet the press in Paris and London has conveyed the opposite impression.

The French and British press had given no adequate account of the negotiations between President Wilson, the Germans, and the Allied countries concerning the pre-armistice agreement. The people therefore had no idea, and, I believe, still have no realization, that a solemn agreement was made as the basis of peace terms before the armistice. One French paper, about three months later, published a very abbreviated account of these negotiations as representing the American view concerning the situation.

When the armistice came the French people rejoiced at the end of the war. There were three things they desired from the peace:

First, they wanted Germany to pay for rebuilding the destruction wrought by the German armies in France, and they expected France would be relieved from the heaviest part of the economic burden brought on by the war.

Second, they wanted the return of Alsace-Lorraine.

Third, they wanted to be guaranteed against future attacks by Germany.

Owing to the rapidity with which the war ended, there had been no systematic discussion in the press as to how these wishes might be realized. There was no unanimity of opinion about the plan which the nation ought to support to get these results. Germany was generally supposed to be quite intact from the effects of war, because war had not been con-

ducted in her territory. Popular opinion believed Germany capable of paying vast sums at once.

As in England, the government encouraged this view. The French Minister of Finance made a speech in the Chamber of Deputies stating that Germany should be made to pay the whole costs of the war. In another chapter I have shown that the French and British governments along with other Allied and Associated governments had already agreed that Germany should only pay for damage done by the acts of war of her armies to the civilian population and their property. In England, Lloyd George conducted a campaign for reelection on the platform that Germany should be made to pay the costs of the war. This position of the governments of France and Great Britain was the beginning of the bad faith subsequently shown by the Peace Conference in which our representatives, by their signature of the German Treaty, participated.

The joy of the French people received its first shock when they discovered that, under the terms of the armistice, the German army was allowed to return home bearing arms and with flags flying. To the people suffering from the hardships of war, this triumphant return was a bad omen for future peace. Naturally the feeling arose that, since the military chiefs of the Entente had been unable to disarm the German army in the armistice terms, the war had ended too soon. It should have been continued until the German army was smashed and war carried into German territory, so that the Germans also might know the nightmare of the battlefield with its aftermath of ruin and despair.

This feeling was stronger in the American army, perhaps, even than among the French people, because they were newer to the conflict. No one for a moment harbored the thought that the united command of the Allied and Associated Powers, in whose hands rested the terms of the armistice, did not desire the disarmament of the German army.

Evidence shows, however, that, at the time of the armistice, the rapid pursuit of the Germans had worn down the British and French troops with fatigue. They had reached positions far in advance of their supplies and would probably have had to stop until their supply trains could catch up. The danger was that the Germans might have time to reform in a short line of defense, and might prolong the war for several months with the resulting slaughter of Allied soldiers. Was it worth while to continue this loss of lives even with the prospect of teaching the German nation the horrors of modern war?

There was another solution, that of demanding the unconditional surrender of the total armament of the German army. I understand that General Bliss favored the total disarmament of that army before it recrossed the Rhine. At the time of the armistice the great bulk of the German armament was in France on the west bank of the Rhine. Who was responsible for this failure to take the arms away from the German army? Certainly not the Americans. Yet in France the implication circulated freely that President Wilson was responsible for it. As a matter of fact no more serious blunder was made by the Allies than that of allowing the German army to cross the Rhine, rifle on shoulder, with flags flying and bands playing. The moral effect on the German

people was inestimable. Besides, when the army disbanded each German soldier took home his rifle. It is now almost impossible to get them. Their universal distribution constitutes a danger to the stability of government in Germany and consequently to the well-being of France, which must seek rehabilitation from an orderly and stable Germany.

For this blunder the Allied Supreme Command must be held responsible. Why did not the Allied Supreme Staff demand the total surrender of the armament of the German army and thus avoid a large part of the trouble which has delayed the recovery of nations for two years? Even to-day one of the subjects over which the Allies and Germans are quarreling is this surrender of the very armament which the Supreme Command allowed to be taken back into Germany. The civil authorities of all Allied governments had left the stipulating of the armistice terms to the Supreme Command of the Allied armies.

It had been said that in the exhaustion and turmoil of the last days of war the importance of the total disarmament of the German army escaped the notice of the staff. This is impossible, for the staff stipulated in the armistice the exact number of arms which the Germans should surrender and the time of their delivery.

Anti-militarists in France say that the staff was afraid of the revolution in Germany and sent back the German army armed in order to prevent Germany from going over to the Spartacus movement. The official French point of view universally expressed in the press was that the German revolution was a mere camouflage. According to the anti-

militarists, the French staff knew the contrary. The big financial interests in France are known to be in favor of the maintenance of a large army, not only to defend the country, but to insure the continued existence of the present social and governmental régime. Such an army is supposed to prevent upheavals. The same financial interests desire similar conditions to prevail in neighboring countries. "Do not forget," also say the anti-militarists, "that the iron industry must sell its products to equip armies and navies." If Germany were disarmed at a blow that fact would greatly diminish the importance of the army in France. Such is the view of the French anti-militarists of the Left. The explanation seems rather malicious and yet in the absence of any other I mention it.

The Press exploited the feeling that the war had ended too soon. It was not mentioned, that in the terms of the armistice itself there might have lain a wiser and more human solution than was possible of attainment by a prolongation of the war. Speaking of the armistice terms, M. Tardieu said:

> On October 31—November 1, 2 and 4, at the Superior Allied Council of War, General Foch read the terms of the Armistice submitted by him to the Council. Not a voice, either military or civil, was raised against the conclusion of the Armistice or against the clause proposed by the Commander-in-Chief.

General Foch expressed himself in private conversation in favor of making the armistice. He intimated that it might take several months more of war to drive the Germans back into Germany. At that time it was not generally known that Germany was ready to accept any military terms of surrender the Allies might draft.

My understanding is that each nation made its own demands on General Foch for the terms which it desired included in the armistice. Great Britain demanded the surrender of the German fleet and the destruction of all warships on the ways. She obtained what she asked. If the French staff had demanded the surrender of the armament of the German army there was no one to oppose this demand any more than the British demand concerning the German fleet.

In spite of all criticism raised against the French attitude in the Peace Conference, and even against the British for that matter, both were beginning to realize the importance of the economic as opposed to the political situation in France. The French especially proposed all manner of international economic cooperation for the reconstruction of Europe. It is true that all their propositions were exaggerated in the advantage they gave France, and that with this economic program they did not propose to abandon the system of economic reprisals against their enemies. Nevertheless their view was sound, that the reconstruction of continental Europe required an economic Society of Nations just as much as a political one. They also saw that without this economic cooperation, England and the United States would suffer in turn, for both were so deeply creditors of Europe, that European failure would mean British and American disaster. The French representatives at the Peace Conference proposed that the international advisory control of shipping be maintained and that the committees on program which estimated the minimum needs of all Allied

nations in Europe continue to function. The British also were favorable to this proposal.

If the American representatives had been ready or willing to grapple with this question of the economic reconstruction of Europe in its details, some plan might have been evolved for cooperation which would have saved much suffering and confusion. The chief American delegates, however, were not interested in the economic side of European questions. President Wilson had not brought with him any body of practical financiers. When afterwards these economic and financial advisors did arrive, they took a rather nationalistic view failing, in my opinion, to see the importance to America of economic reconstruction in Europe. They believed that the old machinery of international competitive trade would be sufficient with the aid of individual syndicates and banks to remake Europe economically. They also feared that the strain on American credit by any system of pooling interests would be too great. They felt that the peoples of continental Europe, especially France, were not being taxed enough. It seemed to them that the suggestions of France for economic cooperation merely meant shifting the financial burden from Europe to America. Here again the American mission lacked a real plan and fell back on reliance on individual commercial enterprise as a panacea. This individual competitive method is the very best possible for normal times. But times were not normal, and individualism was helpless to reestablish itself. This was proved in central and eastern Europe. Moreover, the competitive method would ignore the weak spot

in Europe because capital would be less safe and profits less sure.

Thus the French, repulsed in their efforts to get cooperation and feeling themselves more and more isolated, reverted to the political, military, diplomatic system of balances of power and a peace of the conqueror in which the crushing of Germany became a necessity to France.

I do not mean that this latter plan of the French arose because of the failure of any plan for economic cooperation, but I do mean that, with the economic plan as a base, the military, political diplomacy might have been rendered much milder. France was primarily interested in reparations. Reparation was at the foundation of the question of economic revival—a system of pooling the interests of Allied and Associated as well as enemy nations. This seemed the point for beginning a real League of Nations.

CHAPTER VIII

Italy

The position of Italy has been unfortunate during the entire war.

Usually facts have little place in the discussions of the Italian participation in the war and the peace. A prejudiced partisanship controls people's opinions about Italy. They are either abusively hostile or violently friendly, regardless of fact.

A series of lamentable situations has apparently brought upon the Italian government a dislike from other Allied governments and peoples. This result came about because the Italian government pursued exactly the same policy of expansion as did other Allied governments, with more justification, indeed, but without the pretended altruism of others.

Italy was bound to the Central Powers by the Triple Alliance. That fact alone made her an outsider in the councils of the Entente. Italy did not go to war on the side of her allies, the Central Powers. The Triple Alliance, the Italian government justly claimed, was a defensive alliance whereas Germany and Austria were really waging wars of aggression. To some peoples and governments, however, it appeared as if Italy had broken her treaty agreement. It is freely said in diplomatic circles that there is no such thing as a defensive treaty except in words. On its face each treaty claims to be a defensive treaty; when war breaks

out, each government declares that it is waging a war of self-defense! It does this to secure the support of its own people, who, otherwise, might be lukewarm in the pursuit of the war. It is only afterward that the real aggressor comes to light. This point of view, I believe, is vicious and untrue and that the accusation made against Italy in this respect is unjust. From the beginning it was evident that Austria and Germany were taking the initiative and attacking. In the preliminary diplomatic action which led to the war, Italy was not consulted by them as an ally. Her government even protested against the invasion of Serbia by Austria.

On this point, public opinion in France and Great Britain, misinformed as it is, is both ungrateful and illogical. If Italy had not remained neutral, the diversion of troops from the German front in France to meet an offensive against France from the Italian frontier would probably have meant the defeat of France early in the war. Every Frenchman or Englishman who accuses Italy of breaking faith with Austria and Germany because of Italian neutrality, thereby implies that Germany was not the aggressor in the war.

In the future interests of international relations, this accusation against Italy should, I believe, be combated. Attention ought to be drawn to the fact that, in 1913 in the Second Balkan war, Italy had refused, as I have indicated, Austria's proposal to attack Serbia. Signor Giolitti, then Prime Minister, gave as his reason that the Triple Alliance was a defensive and not an offensive alliance. In considering this question it must be remembered that France has asked Great Britain and the United

States to make a defensive alliance with her against aggressions by Germany.

Where the Italian government made its first mistake was in bargaining about its entry into the war. But it was a difficult matter for it to avoid such bargains. In the first place, the representatives of France, Great Britain, Germany and Austria were indefatigable in their offers to Italy. In the second place, the Italian government of that day was made up of men favorable to Germany. Moreover, the people did not want war, but were hostile to Austria and desired the union to Italy of the districts of Austria inhabited by Italians.

A powerful minority of "intellectuals" favored the Entente cause. This minority pressed the government and gradually aroused public opinion. Under the pressure of this agitation the government opened negotiations with Austria to obtain the cession of Italian populations. At first Italy asked of Austria the Trentino and the autonomy of Trieste, with certain Adriatic islands. As negotiations progressed, however, Italy increased her demands. Austria proposed to make the concessions *after* the war. Italy, on the other hand demanded the immediate surrender of the territory specified.

Of course these negotiations were in the nature of a holdup of an ally in the hour of need. It must be remembered, however, that the alliance of Italy and Austria was not one of friendship, but rather of neutrality. There was a current saying about the situation that, as between Italy and Austria, there was no middle point between an alliance and war.

However, these negotiations cannot be justified by any standard of decent international relationship.

The negotiations lasted several months and ended in Italy's repudiation of the Triple Alliance.

Negotiations with the Allied governments followed, an account of which has already appeared in these pages. They resulted in a Secret Treaty, on the strength of which Italy entered the war on the side of the Entente. As I have shown, this Secret Treaty, which gave to Italy possessions beyond her power to control and develop, had, after the exhaustion of the war, an unfavorable effect on all the international relationships of states.

In defence of the Italian government's attitude, many things may be said. There were territories incorporated in the Austrian Empire adjacent to Italy and inhabited by Italians. Of course, Italy had the legitimate desire to bring these Italian populations within her own national frontiers. The war situation gave the needed opportunity.

Italy did not limit her demands, however, to the annexation of Italian populations. She demanded and secured the promise of dominion over Slav, Albanian, Turkish and Greek populations.

It must be said that the example of imperialism had long been set to younger Italy by the elder nations of Europe. Colonial imperialism had been a ruling factor in European politics since the war of 1870. Indeed it has been one of the means of spreading civilization.

Italy had seen France annex Tunis immediately after promising not to do so. The only numerous white colony in Tunis was composed of Italians from Sicily. Tunis is only a few hours distant from Sicily. Naturally, Italian diplomacy looked at Tunis as a legitimate field for future colonization.

During the following years both France and Great Britain swelled their colonial possessions in gigantic proportions. Neither Great Britain nor France had Italy's needs for colonial possessions in order to care for the overflow of increasing population.

It is only natural that Italy should have followed the example of her elder sisters. She did this crudely and without shame. No cloak of humanitarian purpose veiled her real desire. Her colonial enterprises, it is true, were not brilliant successes and proved her inexperience in developing colonies which would substantially contribute to the world's commerce. Nevertheless, when, in the Secret Treaty, Italy demanded dominion over territories inhabited by non-Italian nationalities, she was but following in the beaten line of European politics. Great Britain, France and Russia did the same thing during the war with regard to Turkey, Persia and other countries.

Italy had also other excuses for her imperialism, if one is to judge European politics by realities and not by the declarations with which the older governments hide their real purposes. She has real fear of the Slavs, just as the French fear the Germans. The good harbors of the Adriatic are on the Dalmatian coast. So Italy conceived that, to be safe, she must control the Adriatic. By her neutrality in the first months of the war, she had undoubtedly prevented German victory. Hence, if the Entente was victorious, Italy thought that the Allies should grant her supremacy in the Adriatic. Italy therefore demanded, as a condition of her entering the war on the side of the Allies, that she should be allowed to safeguard her future. The Italians regarded the

Slavs, including, of course, Serbs, Croats and Slovenes, as people of inferior civilization, whose Balkanic turbulence was likely to disturb the peace of Italy in the future.

To control the Adriatic the Italians asked for Trieste and Istria, including the naval port of Pola, and that part of Dalmatia which includes the cities of Zara and Sebenico. She asked for Valona on the Albanian shore, opposite Brindisi, to guard the mouth of the Adriatic. She consented to give Fiume and the coast of Croatia to the Jugoslavs. She took, however, all the islands off the Croatian coast, stipulating that the rest of the east coast of the Adriatic should be neutralized. If the treaties were to be military treaties, by which the Allies rendered their enemies helpless through strategic frontiers and oppressive peace terms, then Italy's claims were not unreasonable.

And, if colonial economic imperialism was to mark the Allied policy towards undeveloped countries and peoples, then Italy felt she should have her share. Before the war she had grown in the north in prosperity. Thanks to the cooperation of the Germans, great industrial and financial centers had developed. Italy was possessed by the exuberant pride of a youthful nation which considers itself the equal, if not the superior, of any. Therefore, as one of the great powers of the Entente, Italy must have colonies like her Allies. She must follow the traditions of her ancestors, Rome and Venice. Her most ambitious statesmen looked forward to the time when Italy would dominate in the East Mediterranean. She therefore asked for Smyrna and a section of southern Asia Minor extending inland from Adalia.

There Italy could send her superabundant populations instead of letting them emigrate to North and South America. She also asked for the Greek islands of the Dodecanese. To have a wedge between her two rivals, Serbia and Greece, Italy demanded predominant influence in Albania.

Before President Wilson arrived in Europe to represent the United States at the Peace Conference, the Premiers of Great Britain, France and Italy met in London. At that meeting, it is said, the three Premiers agreed to carry out in the Paris Peace Conference the terms of the Secret Treaties. They had been surprised by the world wave of support which met President Wilson's declaration of war aims. Perhaps they had been led into accepting them too sweepingly in the pre-armistice agreement.

The Italian government saw that the plan for the Treaty was to be a military one, that Germany was to be crippled and surrounded by a cordon of hostile new states of Slav nationality, that France and Great Britain were to divide the German colonies and the southern part of Asiatic Turkey. Italy conceived that in this game of grab she must not be behindhand.

Therefore the government started a campaign in Italy for the annexation of Fiume and its surrounding territory. This movement has since resulted in the occupation of the city by d'Annunzio and the great embarrassment of the Italian government in respect to the Secret Treaty in which it granted Fiume to the Croats. In this campaign the Italian

irredentists took up the cry and soon carried the campaign beyond the control of the Italian government. The ostensible reason for annexing Fiume was that a majority of the population of the town proper was Italian. But the majority in the total district to be annexed were Slavs. If only Fiume were annexed it would form an Italian island in a Slav country. Such a proposal was untenable Therefore the Italians took the stand that the district of Fiume outside of the city was a rocky unproductive country with an impoverished population which did not count. The port of Fiume itself was the only living progressive element in the district and this was Italian. As the Jugoslavs were a turbulent volcanic people without adequate civilization or art, they should not be given so important a port. But conditions in the further Hinterland—Austria, Hungary, Rumania, Czecho-Slovakia and even Poland —required a competent management of the port. Italians pointed with pride to Genoa, which furnishes port facilities for southern Germany, Switzerland and even parts of Austria. As the quarrel in the Conference grew, the campaign degenerated finally into virulent abuse which culminated when President Wilson gave out his appeal over the heads of the Italian delegates to the people of Italy.

The real reason for the Italian campaign for the port of Fiume was Italy's fear that Fiume, in the hands of the Jugoslavs, would kill Trieste. They foresaw that the Jugoslavs, combining with the Czecho-Slovaks and perhaps with Austria-Hungary, would turn all commerce from Trieste to Fiume.

An examination of the railroad and port facilities of Trieste seem to me to show that this fear is

remote. Fiume has poor railroad connections with the interior, and her port is comparatively undeveloped. Trieste has fine port facilities and her railroad connections with the interior are wonderful. There are, speaking in general terms, three railroad lines out of Trieste: (1) that to the east runs to Budapest and Vienna; (2) the central line goes to Vienna and north to Prague; (3) the third, on the west, goes to Germany and Switzerland. These lines, it is true, pass through Jugoslavia and, so far, commerce has been blocked by the frontier and transit restrictions instituted on these roads. Still, if commerce really starts again in the countries of Austria, Czecho-Slovakia, Hungary and Poland, the superior railroad and port accommodations of Trieste must give it the advantage over Fiume. This advantage could only be overcome at Fiume by very large financial investments, and these, in the world's present impoverished condition, are not likely for years to come. If, therefore, Trieste is handled by the Italians so as to encourage commerce, there is little danger that Fiume will be a serious rival in the near future.

Since the meeting of the Peace Conference, all Italians are united in desiring the possession of Fiume, but the wise heads among them are beginning to see that they will probably have to give it up. Certainly they are bound by the agreement in the Secret Treaty to cede Fiume to Croatia.

If you now examine the attitude of Jugoslavs toward the territory in dispute, it would appear that armed conflict in the future is inevitable. For, through the Croats and Slovenes, the Jugoslavs

claim the regions of Gorizia, Trieste, Pola, Fiume and the whole of the Dalmatian coast to the boundary of Montenegro. Most of this territory is given to Italy by the Secret Treaty of London and is occupied by Italian troops.

The Italians contend that the Croats and Slovenes fought valiantly on the side of the Central Powers against Italy and Russia during the war, that there is no more reason for favoring the Croats and Slovenes, as against Italian claims, than to favor Austria or Hungary against Czecho-Slovakia, and that, if the Treaty drafted in Paris created an era of international justice, outlined by President Wilson's Fourteen Points, then Italy would accept the same treatment as is allotted to all other Allies.

It is well to call attention to the fact that in Italy the development has differed materially from that in other Entente countries. The reaction in those other countries has been toward at least temporary conservatism. That in Italy has been toward democracy. Represented there by men whose incompetence was evident, Italy left the Conference, humiliated and in fury against her Allies. I heard everywhere in Italy talk that the next Italian war will be against France. Perhaps this is only a temporary anger which will cool with time. Pro-Germans in Italy have raised their heads and are talking freely of closer relations with Germany. The unrest of the people seems excessive.

In the early summer of 1920 I was in Italy. The internal conditions were so confusing that it seemed as if it would take but little to produce an upheaval.

An Italian friend of mine said to me: "I have lived in Italy all my life, yet I do not recognize my own people; they seem to me quite mad."

Strikes occur everywhere on small and large scales. These are not brought about by economic causes altogether, but by small personal causes, like the dismissal of a popular employe for instance.

There was a strike of Pullman car conductors. In Trieste there was a strike of store employes; in Milan a strike of restaurant waiters. The French Socialist, Albert Thomas, delivered a lecture to a large Socialist gathering. While he was talking, a band of anarchists burst into the hall. A fight resulted which lasted half an hour. In the end the Socialists drove out the anarchists. Save for the broken chairs and benches, the meeting came to order again and M. Thomas concluded his address.

To-day revolutionary Italy is trying certain experiments which experience has devised in Russia. The Revolutionary Movement is a very strong movement. The Socialists, the Labor Unions and the Communists have joined hands. As I write, there is a conference of leaders in Rome. The Socialist members of the Italian Chamber of Deputies are sitting with the labor leaders in a conference to decide whether they will assume the responsibility for the action of the men in taking possession of the factories. The government has thrown the responsibility on the leaders of the Socialist Party. If the decision is made to go ahead, revolution will break with full force in Italy and bloodshed will follow. The result of such action in the present economic situation cannot but add to the sufferings of the people and disorganize the industrial system of

the country. In spite of the surface disorders which have prevailed, however, living conditions are not so bad in Italy. There seems to be food enough now and life is not altogether abnormally difficult for the industrial laboring classes or the peasants on the farms.

The present government is quite frank in its intention to recognize the Bolshevik government of Russia. Already an unofficial representative of the Bolsheviki has been received at the foreign office. But there is no real love of Bolshevism, as such, among the people. There is, on the other hand, a growing distaste for the extreme rich, non-working classes which may at any moment turn into a form of Bolshevism.

There is also popular revolt in Italy against the big trusts which have resulted from the war, against their control of the previous government and their unfair methods. The Chamber of Deputies has passed a law directing the courts to examine into the dealings, between the Peroni Brothers and the Banca Commercial. This bank is the largest in Italy; it was formerly under German management. The Peroni are the originators of the Italian Steel Trust. They secured, the control of this bank. They already have control of several other large banks of Italy. The banks have branch offices in every town of any size. The accusation is that this Steel Trust is in process of controlling the Italian banking system. Owing to this Trust's participation in politics and its consequent influence on the government, the power given by its control of the banks is said to constitute a serious danger to the state.

Considering the size and resources of Italy, the

Italian government has probably a greater debt than has any one of the Allies. The government has secured a percentage of the reparation fund to be paid by the Central Powers. Nevertheless, Italy does not expect to get much out of this fund and is not relying on it for rehabilitation. Her budget seems to indicate that, after a long struggle, she will be able to pull herself out of the financial bog. Whether the plans formed for this purpose will work out remains to be seen.

The elections have made the Socialists the largest party in the Chamber of Deputies—some hundred and forty delegates. The Clericals have the next largest party. Here, however, their alignment differs from that in France, where the reactionaries won the election, for, as Italy has turned extremely liberal in her political and social tendencies, the Clericals are not reactionary in the sense that they are in other countries. The Italian Clerical Deputies come from the country districts. There is an agrarian question in Italy, due to the fact that the nobility own large estates, which are left unproductive on account of the poverty of these nobles. The Clerical Deputies have been making their campaign in favor of the division of the large estates through easy sales to the peasants.

Giolitti has come back to power. An opportunist, he trims his sails to the prevailing wind. The government leans therefore to radical measures. The Chamber has already passed a law appropriating to the State the excess profits of the war.

The democratic tendency in Italy is extending to its foreign policy. There is no doubt left in the

minds of public men that the Italian people do not want any more wars, especially those aimed at dominion over foreign races. Hence the Italian government has abandoned the imperialistic policy of the Secret Treaties. There is already an open treaty with Albania in which Italy retaining possession of two small islands opposite Valona, abandons Valona and recognizes Albanian independence; Albania, for her part, agreeing to accept Italy's protection against foreign territorial aggressions.

With respect to the division of Turkey, Italy has refused to participate in drafting the treaty. She refused the mandate. She even protested against the division of Turkey under mandate. France was opposed to a division of Turkey but finally accepted it. Italy withdrew her claims to territorial occupation in Asia Minor. She consents to granting this territory to Turkey, reserving to herself, however, majority rights in its development. She also desires to retain the island of Rhodes for twenty years, as a base for the application of her economic privileges on the mainland. As the agreement made between Tittoni and Venizelos during the Paris Peace Conference stipulates that in five years there is to be a plebiscite in Rhodes, which, it is acknowledged, would give the island to Greece, there are strained relations on this account between Greece and Italy.

CHAPTER IX

Austria

The Treaty with Austria, like that with Hungary, is drafted on the model of the German Treaty. An Austrian statesman said to me: "It is almost as if the Allies had taken the German Treaty as a form and written in the name of Austria instead of that of Germany wherever it was possible." This statement is an exaggeration but it has a basis of truth. Allied statesmen were weary over the discussion of the German Treaty and allowed the small friendly powers of Austria-Hungary, the Czechs and Serbs, a free hand in drafting the Austrian Treaty. Many of the clauses, which in the German Treaty have a rational basis for their application, when applied to Austria appear so ridiculously unsuited to the conditions of peoples and countries as to make one think that these clauses were inserted by mistake.

The Treaty with Austria may be divided into three parts:

The first concerns itself with the League of Nations.

The second marks out the new territorial delimitations of Austria.

The third, comprising nine-tenths of the text of the Treaty, records the concessions and penalties which new Austria is to surrender to the Allies and the new friendly nations of Central Europe as payment for defeat.

It is impossible for the general public to interest itself in the many details which mark the inadaptability of this Treaty, but a few principal causes of failure can be understood. It is my intention to present some of these briefly.

The distribution of territory is one of the items which may be easily grasped. The territorial clauses cut from Austria those parts of the ancient monarchy inhabited by a majority of other than Austrian-German nationalities. Vienna is an exception, for only 40% of the population of the city were born in the countries now assigned to the new Austria. In addition, the Treaty takes from Austria territories inhabited by a majority of Austrian-Germans and gives these to Italy, Czecho-Slovakia and Jugoslavia. These territories inhabited by Austrian-Germans are for the most part contiguous to the new Austria. Territories so inhabited will constitute new causes of war.

In the case of Czecho-Slovakia, the territories assigned to that country and inhabited by a majority of Austrian-Germans are a portion of Austrian Silesia, German Bohemia and a section of lower and upper Austria. These territories form a crescent on the western boundary of Czecho-Slovakia.

Along their full extent they touch German territory on the north and northwest and the new Austrian State on the south and southwest. They constitute the wealthiest portion of the new state of Czecho-Slovakia. The two to three million German-Austrians in Austrian Silesia, German Bohemia and lower and upper Austria are sure to be heard from in the future for the good or for the ill of Czecho-Slovakia. They inhabit a country which has no

superior on the European continent in industrial development. I know of no other group of two and one-half to three million people who have it in their power to do so much for the future good or evil of Europe. They not only have enormous wealth, organization and solidarity, but they are adjacent to Germany. If matters continue as they are now going they will have as neighbor supporting their every claim for independence, a Germany made greater by union with New Austria.

The southern Austrian Tyrol has been given to Italy. This is quite a distinct region ethnologically from the Trentino or Italian Tyrol, formerly part of the Austrian State, but now rightly given to Italy. The southern Tyrol, contains two hundred thousand to two hundred and fifty thousand Germans. This region has a double importance. First the separation of the South German from the North German Tyrol, reduces the area of the latter to a single valley, that of the Inn river. This valley (constituting the Tyrol still under Austrian suzerainty) forms a long corridor from Austria proper on the east to Switzerland on the west. So narrow is this strip, that in travelling along the valley in places, it is said, you can see from the railroad German territory on the north and Italian territory to the south. This narrow strip, whose center is Innsbruck, probably cannot sustain itself. At any rate, the population at present unanimously demands separation from Austria and union with Germany. This demand for union with Germany has an important bearing on the probability of war.

The part of the Tyrol given to Italy by the Treaty is similarly in a bad predicament. It has been sepa-

rated from its former channels of livelihood to the north and yet it is not logically an *economic* part of Italy. Italy obtained its annexation largely on strategic grounds. I feel sure that she will have reason to regret this annexation before long.

The second importance of this region for future peace is that, wherever German is spoken, the Austrian Tyrol represents the best traditions. It was German when Prussia was still Slav. It is the birth place of Andreas Hofer, a national German hero. Here he led the Tyrolean mountaineers in their struggle for independence against the world dominion of Napoleon. The rest of Europe had at this time given up the fight.

The third area of territory taken from Austria (although inhabited by a predominant Austrian-German population) is around Klagenfurt and Marburg. These areas have been assigned to Jugoslavia, but the region is controlled and dominated by the Austrian-German population. In only a part of one of these areas has a plebiscite been awarded. To compensate Austria for taking from her these territories inhabited by Austrians, the Treaty assigns to her a strip of territory near the Neusiedler See, formerly belonging to Hungary, but undoubtedly inhabited by Austrians. The Austrian Government, as proof of its loyalty to the principle of self-determination, has refused to receive this donation without a plebiscite.

Thus is constituted the new state of Austria and it does not even comprise all those territories of old Austria inhabited by a majority of Austrian-Germans. The country of New Austria includes 6,100,000 inhabitants. Of these over 1,850,000 inhabit

Vienna. The city was built as the political and commercial center of the Dual Empire with 55,000,000 inhabitants. Its population was drawn from every region of the Empire; hence it is now a question whether New Austria can sustain its capital.

New Austria started with a Socialist government under control of the party of Social Democrats, intermixed with a sprinkling of Christian Socialists. The new Austrian government is feeble owing to the weakness of the Austrian state. It lacks force because it represents only a part of the Austrian community, namely the industrial labor districts, but does not represent the great majority of the population, who are agricultural and commercial. The Christian Socialists (who were not Socialists at all, but representatives of solid conservative peasantry), were unwilling to take over the government because they saw no satisfactory outcome to the economic situation of the country. The enemies of the present government call it Bolshevik. This accusation is generally accompanied by the statement that the Jews are represented in large percentage in the government.

Let me say a word concerning the general feeling about the Jews in Central Europe. Each community thinks that the Jews are leading the Bolshevik movement everywhere, that is to say the movement of disintegration and destruction, and accuses them of a general conspiracy to undermine the existent social organization. When asked why they should do this, the answer is made that the Jews have always fished in troubled waters. They hope to establish themselves as political and economic masters of the world

by an upheaval which will shake Christendom to its foundation. In this upheaval, say these detractors, (in which the cry is that the first shall be last and the last first), the Jews retain the rigorous discipline of their creed that to the strong belong the riches of this earth. This nightmare of a Jewish conspiracy to dominate the world is part of a certain public hysteria prevalent to-day.

The hatred of the Jews is only a general symptom of a disease, widespread in all countries of Central Europe; that is zenofobia or hatred of all alien nationalities. This disease of hatred filters down through the organization of society and becomes in turn class hatred, district hatred and even county hatreds. The Austrian country districts are stable and conservative. They hate Vienna and its Socialist government which they dub Bolshevik. Vienna has in every city ward, committees of workingmen and soldiers. But these organizations and even the government have neither the power nor the will to carry out radical measures of social revolution. They know they are being watched at close range by Italy and the rest of the Entente. They absolutely depend on England and America for food to prevent starvation. As I have said, the Social Democrats do not represent a real majority in their own country. The probability is that in the end the real majority, the peasants and the business men will control the country.

Industrial labor, however, being more compact in its organization, has secured for itself certain temporary advantages. For instance, the government pays non-employment wages. It attempts to regulate prices and other matters in the interest of

industrial labor. But the government is too weak and poor to enforce its policy. Therefore, rich speculators obtain advantages by bribery and corruption.

To understand the abnormal conditions of commercial and governmental life in Austria, it is necessary for me to digress and speak of the terrific wave of speculation and corruption sweeping over Europe, and which is pathetic to see. This modern plague works unseen, eating into the very foundations of the social structure. Individual efforts to eliminate it are unavailing, and are worn out by fruitless struggle, finally yielding to the irresistible current. The whole situation hinges on the psychology produced by war. Each individual and nation says: "I will get, by fair means or foul, as much as I can to-day, because no one knows what will happen to-morrow."

The governments have a mania for regulation. They control everything except the air you breathe. Such governmental despotism as exists to-day in the whole of Europe would not have been endured by the peoples before the war. This state of things is partly due to socialist dogma, but also to war-psychology. During the war it was necessary for governments to control all the sources of energy in order to concentrate into one effort the strength of the nations. This government control was used to unite the effort of the Allies. Internally it was a control for the purpose of distributing the resources of the nations equitably and advantageously for the war. The inter-nation control was a medium of information. Internationally there was no actual

control, but the different international committees without executive power determined facts and advised action which was almost always followed by the different governments.

After the war the international advisory committees disappeared, but the internal committees of control remained and were imitated by the new governments in central and eastern Europe. But this internal control no longer operated in conjunction with international organizations for international cooperation. The internal control changed its purpose. Especially in central and eastern states it became a weapon against neighboring states to satisfy national animosities and to promote political and economic aims hostile to other states. The interdependence of all these states was lost sight of in the desire to obtain immediate national advantages.

After peace, however, governments continued internal regulation and control from habit, from nepotism, and from the fear of letting go. Undoubtedly the war by concentration of effort produced abnormal situations which made it impossible to release government management of commerce at once. But this did not mean it was necessary to extend war control, to a point where its red tape throttled the life of peoples. The new nations of central and eastern Europe carried internal government control and regulation to the point where it threatens to bring about greater destruction than did the war itself.

There are two kinds of government control, one of frontiers, or customs, and the other internal control or regulation. Both systems work together to pre-

vent export and import and to reduce production within the country. On one hand the export custom regulations are to prevent needed resources from being drawn out of the country; on the other hand import customs are based on the pressing need of governments for revenue and to prevent depreciation in the rate of exchange.

The journey from Vienna to Prague before the war took four hours. When I made it recently it was prolonged by a memorable sojourn on the frontier. For five hours the multitudinous custom officials of Austria and Czecho-Slovakia put the unfortunate travellers through an inquisitional examination. Owing to uncertainty and delays there was little registered baggage, nearly everybody carried his own belongings. Men, women and children, laden with their multitude of bundles and sacks, stood for hours in long lines awaiting examination. Money is one of the commodities forbidden to export. This restriction exists on nearly every frontier of continental Europe. On the Austrian frontier each individual is allowed to take out of the country 1,000 kronen (now only between four and five dollars). Not only the money of the country, but money of any kind in possession of the traveller in passing the frontier is taken from him if it exceeds the specified limit of 1,000 kronen (a sum sufficient to last an economical man a day). An unfortunate Russian on the same train with me was stripped naked in the custom house and on his person were found 30,000 rubles. This was his whole fortune, saved from the wreck of Russia. Rather than change his rubles through official channels into Austrian kronen and then into Czech kronen and then into German marks,

which would involve a substantial loss, he had sewed the money into his clothes. The Austrian official told him that his thirty thousand rubles were forfeited to the Austrian Government.

The official reasons for these restrictions are to prevent speculation. In many countries this restrictions results in government graft. If you wish to take your money from one country to another, the chances are you will be allowed only a limited amount. The law requires that you must make the exchange through the government board of control. This board of control fixes an official rate of exchange which is always inferior to that charged by banks. When I was last in Vienna, the dollar officially was worth 200 kronen, but you could always get 220 to 250 from the "schleich Händler" (secret traders). These people paid the real value of exchange as created by supply and demand. In this situation, if you changed your money a sufficient number of times through the official channels you would find your pockets emptying rapidly. It is only fair to say, however, that in the present condition of international commercial atrophy, the rate of exchange for money between nations does not represent the relative purchasing power of the currencies in different countries. For instance, 200 kronen for the dollar bought a great deal more in Vienna than one dollar in the United States. A double room in the best hotel in Vienna costs 160 kronen, about 70 cents; a good meal about 300 kronen, or about a dollar and fifty cents.

The difficulties of obtaining visas on passports are the same or worse than they were during the war. It took a Hungarian acquaintance of mine in Budapest

a month to get permission from the Hungarian and Czecho-Slovak governments to take his family to Carlsbad for a three weeks' stay.

For the export or import of nearly all goods by freight you must in the center and east of Europe have a government permission. This permission is not usually given for exports unless a corresponding amount of goods needed in the country concerned is imported in exchange. This stipulation, of course, puts a small merchant out of business, as he is generally not in the position to secure the desired imports and it thus throws all commerce into the hands of big concerns. Certain big business men in Vienna told me that permits for export and import are bought by speculators at figures corresponding to the importance of the transaction.

This is not all: the policy of restriction of the different governments on international commerce frequently has its cause in political reasons. German Bohemia (that part of Czecho-Slovakia which adjoins Germany and Austria and where Austrian Germans form 90 per cent of the population) has always done business through Vienna. The Czecho-Slovak government quite naturally desires this business to go through Prague, and therefore blocks the Austrian frontier. Austria refused for a time to let saccharine from Switzerland pass through to Hungary. Czecho-Slovakia, having coking coal, will give a certain amount to Austrian factories, provided the latter will sell to them the iron and steel produced by this coke. Thus Austrian foundries are prevented from producing iron and steel for their own country. There is no such thing as buying

freely in an open market for export. In their government control all the countries are alike in hostile commercial discrimination against their neighbors.

The so-called friendly powers of central and eastern Europe appear to make greater discriminations because they have received under the Treaties the lion's share of the raw materials available. Consequently, they have the greater opportunity to impose restrictions against their neighbors. Owing to these discriminations the hatred of the so-called hostile countries against the allied favorites is growing from month to month and the revival of normal commerce is indefinitely delayed. The Hungarian government is especially bitter in its complaints, probably because there is more fight left in the Hungarians than in the Austrians. The Hungarian Minister of Finance complained to me that he had bought 100 million kronen worth of wheat from the Serbian government. Six months had elapsed and he had made three additional payments to meet depreciation in exchange, yet no wheat was forthcoming. He said he had bought and paid for oil from the Rumanian government, but could get no deliveries, although he offered to furnish transportation. Poland is accused of blocking the frontier of Czecho-Slovakia against commerce and Czecho-Slovakia retaliates in kind. I have known of a car load of rubber tires crossing one of these small countries to be seized by the government and paid for.

Most of these stories were confirmed by the Allied Missions to the different countries. Any member of any foreign mission will regale you with stories of these trade discriminations and national animosities. In fact examples are unlimited in number since

exaggerated trade restrictions and discriminations have become the normal condition of commercial life in these countries. The Allied Missions distribute the blame pretty evenly among all the different new countries. All of these Allied Missions, especially the British and American, have used their utmost power to bring about open markets and a renewal of commerce. Except in a few vital cases they have signally failed, and they acknowledge it. They say that government control, backed by mad nationalism and bitter international hatreds, has made commercial relations between the descendant countries of ancient Austria-Hungary impossible.

In speaking to public men in these countries about the barriers against commerce which government control was building, I called attention to the danger to the national existence of every one of these countries which delay in economic restoration would bring. Members of the Cabinets of Austria, Czecho-Slovakia and other states answered that abnormal economic conditions rendered the returns on speculation so enormous that the government must intervene to prevent it and its exaggerated profits. Therefore governmental control, such as fixing prices, forbidding export and import of many articles, stipulating imports as a condition for permitting exports, etc., is claimed to be necessary. For example, the Czecho-Slovakian Socialist State sold flour to its citizens at half the price it paid for it. Consequently the government must prevent the exportation or smuggling of even small quantities of flour. On the other hand, the Austrian government pays its own peasants less than half the world price for the wheat they grow; therefore the

Austrian government must prohibit even homeopathic doses of wheat from leaving the country.

It will be seen that both of these measures (like most of the government intervention in commerce) are economically suicidal in themselves. For a government to sell flour at half the price it pays, except for temporary charitable distribution, is only robbing Peter to pay Paul. On the other hand, to pay the Austrian peasant less than half the world price of wheat assures the extinction of the wheat crop in Austria. Harmful as such war-bred government regulations are in themselves, their indirect results in bringing about the suspension of trade across frontiers are even worse. Speculation has quite banished ordinary business and has reached a development in Europe unprecedented in modern economic history. The speculator will take chances which the ordinary business man refuses, first, because the former is willing to resort to methods which the latter will not use and, second, because he gets higher returns. The big speculator is actually favored by the conditions brought about by government control, for under these conditions all business becomes a speculation. The speculator works at an advantage in the darkened offices of underpaid government officials and his best tool is bribery. The robber is supported by law. To the speculator, the countries owe what little international commercial relation exists; this little saves them from the inevitable starvation due to the present government policy of chauvinism and isolation.

Business men of standing everywhere in Central Europe deplore government control which fosters unnatural and therefore unsound economic condi-

tions. Business has become in consequence a fantastic adventure in which only the highest returns justify the risk. Some of the leading commercial men are even publishing appeals to their country to compel the government to take its hands off business, open the frontiers and allow some freedom of commerce among Danubian countries. In this way alone, they contend, may the life of the countries be reestablished.

The participation in the restriction of business life by governments has been here dwelt upon at length in connection with the Austrian Treaty because the resulting stagnation of international trade affects Austria most adversely. One might have supposed that the Allies assembled in Paris would have taken measures, in drafting the treaties, to remedy this situation. It is true that the treaties have a direct influence on the hindrances to commerce which governments have erected, but not of the kind one would have hoped. The treaties provide that pre-war debts and credits of enemy nationals with Allied nationals shall be settled by a kind of government clearing house instituted in each country concerned.

This prevents people belonging to the Entente Powers on the one hand and to the Central Powers on the other, from settling their previous financial relations through private agreement and beginning business again. No single financial relation between individuals can be settled before every one of the complicated private business relationships interrupted by the war has been settled by the government clearing houses in any two of the countries concerned. Each enemy government is made responsible for the pre-war debts of its citizens. This startling result is reached in order that the total

balance in favor of any enemy country may be paid into the reparation fund. No Ally can pay an individual pre-war debt to an Austrian for fear he will be called upon to pay it to the Reparation Commission. No Austrian would be allowed by his government to pay creditors' pre-war debts, as he thereby adds to the final burden of his country.

An Austrian business man owed, prior to the war, a Frenchman 100,000 kronen, which he agreed to pay for a business house in Paris. Under the Treaty he forfeits the business house. His debt is then reckoned in pre-war exchange. He will have to pay 125,000 francs. This he must buy at say, 10 kronen on the franc. That makes 1,250,000 kronen he owes. He must pay that sum to the government clearing house, which cannot pay his creditor until all debts are liquidated. Thus the use of this capital by its rightful owner will be suspended for years. If the debtor can pay only half, and desires to pay the rest after he resumes business with the said Frenchman he cannot do so. He will probably be in a suspended condition of bankruptcy until the clearing house completes its work. Anyone familiar with the inevitable red tape in government settlements of business claims realizes that, if the treaties are carried out, it will take years before a basis of settlement can be reached between individual business men of Allied and enemy countries. Of course, the Treaty can never be carried out in this respect. A big British syndicate formed to reestablish economic conditions in Austria is already devising a plan to get around this provision of the Treaty.

One feels compelled at this point to cry out: "What malignant spirit inserted such clauses in the

Treaty under the very noses of our delegates?" These clauses constitute a wholesale breach of one of the best provisions of international law, they are not in harmony with the spirit of our pre-armistice agreement with our enemies, and they raise a stupid barrier against the economic recovery of peoples. One cannot call the leaders of great nations, knaves and fools. If, however, private individuals entered into the conspiracy constituted by these clauses, they would be indicted before the public opinion of their fellows for breaking the law, breaking their agreement and showing their incompetence.

The Treaty further gives control of the finances of enemy countries to the Allied Reparation Commission. Control of Austrian finances has already been assumed by them. The Reparation Commission is therefore a foreign body of Entente officials in the Austrian state, who not only have control of Austrian finance, but have a mortgage on the revenues of the state and the resources of the nation.

The government is elected by the people and is therefore responsible to them. The Reparation Commission is responsible only to Allied governments for the collection of debts due them by Austria. For this purpose it has fifteen years at least of economic dictatorship over Austria. It controls the public and private economic relations in Austria. It has control of the budget and will no doubt dictate taxes and tariffs. It has control of the pre-war debts and credits of individuals in Austria. The Reparation Commission also has final control of enemy property in Allied countries. The Reparation Commission, that hydra-headed monster created by the ingenuity of democratic statesmen, will

exercise autocratic power over the economic life of government and individuals in enemy countries. It can be seen that these clauses of the Treaty compel enemy governments to participate in the business of the land in the hope of giving some measure of protection to its co-nationals against the aggressions of the Reparation Commission which is intended to be superior to the government itself.

The Entente governments have divergent political aims for the new countries of old Austria-Hungary. It must result that the members of the Reparation Commission will represent as many political tendencies, each seeking the accomplishment of national ends. For example, the Italian representative will advocate measures tending to unite Austria with Germany; Italy hopes in this way to protect herself against future Slav aggressions. The French, on the other hand, will prefer to see a closed union between Austria and the Slavs in order to prevent the increase of German power by amalgamation with Austria.

The economic policy of the Reparation Commission will have much to do in influencing political developments in Austria and other Danubian countries. Government control and regulation of business and commerce is an excellent weapon with which to attain international political results.

After this fashion, commerce and business in Austria and in Danubian countries is to be loaded with the burden, not only of the excessive interference of its own government, but also of the struggle against the interference and obstruction of the Allied Reparation Commission and the Treaty clearing houses. There is little doubt that the enforcement of the eco-

nomic clauses of the Treaty will assist in throttling the efforts of individuals to reestablish normal commercial and industrial conditions in countries of Central Europe.

There are indications that the business interests of the world will make an effort to do away with the Reparation Commission and the government clearing houses or at least reduce to a minimum their intervention in the economic life of Austria and Hungary.

If the government blockade of frontiers against imports and exports is intolerable, the government control of all branches of agricultural and industrial life is even worse. The government fixes the maximum price at which farmers may sell their products, The Austrian government, I learn from various sources, fixed the prices paid to the farmer for wheat at two kronen a kilo, when the world price was 24 kronen. That of milk was fixed at four kronen, when in England farmers got 36 kronen. Business men further say that the illicit trade and speculation is directly due to government restriction and regulation. The barriers erected by the states, by the provinces and by the districts, are solely the consequence of compulsory government control. This situation extends to all manner of agricultural products. The consequence is that the farmer refuses to sell or does not raise more than is needed in his immediate neighborhood.

The country districts refuse to recognize the regulations established by the central government in Vienna. These districts have barriers against exportation to Vienna. Gradually a system of small

almost independent districts is being established, such as existed in the Middle Ages. The only way Vienna is fed is by illicit trade. Thousands of individuals come in from the country with packs on their backs. They buy in the country and sell in the city at prices many times in excess of the maximum government prices. The peasant often refuses money for his produce, but accepts clothes, shoes and other articles which are taken out of Vienna by these traders. They either bribe or evade the police. Vienna lives only by these illicit traders and by the charity of the United States and Great Britain.

The government and labor organizations see to it that labor is taken care of either by government subvention or by higher wages. The rich subsist well enough on the illicit trade. The middle class brain worker is dying out. Salaries have risen in a very small degree compared with the cost of living. The average monthly salary of a clerk in Vienna, when I was last there was about what one day's board and lodging cost me at my hotel. The American, getting 200 to 250 kronen for the dollar, can live like a king on five dollars a day. That only proves how impossible it is for Austria to buy outside her own borders.

Business is paralyzed by the depreciation of money, government control and discrimination by Austria's neighbors on export of raw material. She is thus deprived of the means to work. Business men cannot afford to pay their employees a living wage. The middle class in Vienna live as in a besieged city on half, yes quarter, rations. Many of those I knew had one meal a day. Their underfed children throng the hospitals. The adults are keeping alive by the

use of their small savings and by selling household goods and furniture.

A clerk with a large family working in the office of an acquaintance of mine received 600 kronen a month (now about $3); while I was in the office he was sent home by his employer on account of his sickly appearance. The man died on the following day and the doctor reported it as a case of undernourishment. The people of the middle class are proud, they do not complain much, they just starve. How long will it last? The principal of the Great Trade School of Vienna, one of the finest institutions of its kind in the world, received a salary of 24,000 kronen a year, half what the man received who swept out his office. The saddest thing was not the comparison, but that such men cannot earn enough to keep their families alive. A kind of hungry, forlorn depression marks the faces of those you pass on the streets. The once gay and lighthearted Vienna is indeed now a sad spot. The general attitude is well expressed by my friend, the corner druggist. In answer to my remark, "This is fine weather," he answered: "That's the only fine thing there is these days."

Yet with all their suffering the Viennese retain their cosmopolitan feeling. They treat foreigners, whether friend or foe, with politeness and even with friendliness, so much so that thousands of Jews from Hungary, Poland, Rumania and even Czecho-Slovakia, fearing disorder and persecution, have taken refuge in Vienna, which can ill afford to nourish them. Here they lead in speculative business.

Vienna still presents in some respects a normal outward aspect. Stores are open. The street cars

operate and even a few taxis and cabs ply their trade for relatively fabulous fares. A ride from the station to the hotel costs about one-eighth of the monthly salary of a professor. The opera is still one of the best in Europe. The theatres are crowded, although everything begins at six and ends at nine. Some of the small cafés where vaudeville entertainments are given continue after hours by "special arrangement" with the police. The cafés and restaurants are thronged, but they also close at 9:30. In the larger hotels the restaurants keep open with an appearance of secrecy and the use of acetylene lights after hours. At 9:30, the Viennese leaves the café, where he can keep warm during the day, for home and bed. The town lapses into comparative obscurity and about ten the street cars stop. But as you walked home, if you looked sharply, you saw that the benches of the Ring Strasse were all occupied. Those occupants were refugees of all classes who could find no shelter in overcrowded Vienna. They sat huddled together surrounded by their bags and bundles. Some were eating and talking. Others were asleep.

It may be that present conditions are merely temporary manifestations of the exhaustion of five years of war ending in defeat. If Austria has enough resources on which to live then there is hope of her recovery and continued existence as a separate nation. An examination of the territory assigned to Austria by the Treaty shows that she has water power and brown or lignite coal, a large quantity of iron and considerable timber. The country is for the most part mountainous and in many districts

only the valleys can be cultivated. The population is sixty per cent or more agricultural. The present government insists that the agricultural lands can only furnish four months' food for the total population. Pre-war statistics, however, have been shown me by leading business men of Austria, which seem to indicate that a normal crop on the lands now Austrian, would give the total population nine months' supply of food. There are sufficient industries in the country, if they can secure coal and raw materials, to furnish the means of buying enough food outside the country to sustain the population for the remaining three months. According to these statistics, therefore, Austria might, with a favorable start, turn out to be a self-supporting country which could live.

The economic situation of the Austrian government is so bad that it has a great influence in preventing the recovery of the country. The Treaty places on Austria an intolerable burden of debt, for the Treaty provides that the debts due to the Entente and neutral countries are to be reckoned at the pre-war rate of exchange and then paid in Allied currency. New Austria is a small, poor country. The wealth of old Austria, Austrian Bohemia and Silesia has been largely given to Czecho-Slovakia. The present impoverished Austria is loaded with that portion of the pre-war debt owned by former Austrians; it must be paid by Austria. Austria and Hungary are responsible for all the debts and paper money of the Austro-Hungarian Empire owned in neutral countries, or in countries formerly a part of it This latter item in itself constitutes a gigantic sum. The Slav states are not called upon to pay any

of the war loans. This fact, it is reported, has led to the smuggling into Austria and Hungary of great numbers of war bonds in order to avoid total loss on them.

These debts are only a beginning of the Austrian obligations. To the Reparation Commission is assigned the job of getting out of Austria as much as it can for reparations. As in the case of Germany, there is no limit fixed to this sum. It is a blank check left to be filled in, by the Reparation Commission. In addition, there is the paper money. The Austrian government has been unable to collect taxes or to secure anywhere near enough money to pay its current expenses. It has therefore printed money to pay its way. The government conceals how much has been printed, but I believe it is estimated at 40 to 50 billion kronen. The total of all these billions can only be guessed at. They constitute such a fantastic sum, that the whole of the old Austro-Hungarian Empire could not have paid them. Some Austrian government officials have estimated the debts outside of paper money and reparations at 40 billion kronen gold, which will give you some idea as to the possibility of payment by such an impoverished, starving people. This debt, in addition to the claims of the Reparation Commission and the play money issued by the government, constitutes a charge against the Austrian people which cannot be seriously discussed.

If the declarations of the President of the United States are called the sentimental utterances of a dreamer, the elaborate terms of the Austrian Treaty constitute a realism which ignores facts. The economic and financial terms of the Treaty are the

Arabian nights of international finance. If Europe is on the verge of bankruptcy, it is primarily on account of the bankruptcy of the directive brains of governments.

Such situations spread panic in the hearts of men and constitute the most effective Bolshevik propaganda. What more natural than for the Austrians to say, "We will try anything rather than this economic slavery imposed by the Treaty." The financial and economic clauses of the Treaty, if enforced, prevent the recovery of Austria. They deprive the population of all hope in the future and, consequently, of all ambition or desire to bring order out of chaos. Why, they say, should they undertake the uphill struggle if they are to work solely for the profit of others and without limit?

The terms of the Treaty will slowly vanish before realities. But even the effort to enforce the Treaty will have a disintegrating effect on Austria by continuing to weaken the government. In the end, the Reparation Commission must disappear from Austria, or become a board of united charities.

Internal conditions do not play the most important part in the rehabilitation of Austria. The principal influence which will determine whether Austria can exist by herself is that exercised by the neighboring new states. All the new countries formed out of the Austro-Hungarian Empire live in hatred. They look upon their neighbors with dislike and distrust; Hungary and Austria, because they have grievances just and unjust; Jugoslavia and Czecho-Slovakia, because they rightly fear the future. "Divide in order to rule" was the motto of the Hapsburgs, and the psychological heritage of

national hatreds is the curse of the new countries. As far as Austria is concerned, she is still considered the home of the Hapsburgs.

Each nation endeavors to isolate itself, dreading a return of the old monarchy and a consequent loss of independence. Even in Austria, the Republican government fears more the return of the Hapsburgs than it does the disintegration of its own country. Otto Bauer, the Austrian statesman, said to me: "There were only two courses open to the Allies, either to maintain the Hapsburgs, or to divide the country according to nationalities." It does not seem to occur to any one that, besides a policy of rigid isolation, there is a policy which would save all these small countries; that of economic cooperation or union. So great is the fear of the Hapsburgs, that such men as Otto Bauer, knowing that the Hungarian government has talked of and even planned calling ex-King Charles to the throne, fears that Austria may fall again under the same dominion. Seeing the danger, however, none of the governments do anything to assist their neighbors or to strengthen the existing governments and thus prevent such a catastrophe.

The fact is Austria has been reduced for the time being to beggary. She has nothing in common with old Austria except the name. She needs the help of her neighbors. If neighboring frontiers are opened and Austrians are allowed to trade in a free and open market, the country will become self-supporting. It will be a most pacific and peaceful place under republican rule, because it will have neither the means nor the will to fight. Austria, however, may become dangerous if driven to the wall. In

that event, she will join Germany and nothing but armed force can prevent it.

Austria subsists to-day thanks to charity; millions have been lent by America and Great Britain to buy wheat. Two hundred thousand children are being fed by American and British charity; friends in America send orders to their Viennese relations for food from the American warehouses there. This charity will come to an end during this year. Whatever the estimates are of what Austria might produce, there is a universal agreement that the actual crops this year will suffice the country only for three months. By January next, Austria will be without food or the means of buying that food in foreign countries.

One of the leading British officials on mission in Austrian countries said to me:

After all that has happened in the papers about conditions of starvation in Austria, what do you think would happen to a British government if people begin to shoot each other for food next winter in Vienna? It would be immediately voted out of power.

Personally, I do not believe that such straits will come. Something will be done to ameliorate the situation before this extremity is reached. Nevertheless, next winter will be worse than the last one in Austria. Already the cry for union with Germany has become universal in the land. A majority of Austrians would have preferred not to join Germany. They fear German chauvinism. They fear being drawn into wars of which they have had enough. Nevertheless, as a matter of self-preservation, they see their only haven as part of Germany. This union with Germany may come piecemeal by the disintegration of Austria. First, the northern

Tyrol, then Salzburg might well break away from Austria and go to Germany. The situation is almost ripe for this event to happen. The break between the Tyrol and Vienna is almost an accomplished fact. The union with Germany may, however, come of the Allies as a relief to an intolerable situation. If Austria is starving and union with Germany alone can relieve that situation, I do not believe that any Allied government will be able to find troops available to prevent this self-determination of the Austrian people.

If Austria joins Germany, then war in Central Europe is to my mind inevitable. The two to three million Germans who inhabit the western part of Czecho-Slovakia and in a solid mass are contiguous to Germany or Austria, will seek separation from Czecho-Slovakia and union to Germany. The Czechs will not permit this. Germany will take up the cause. The war which will follow will be called a war of liberation. Again I doubt whether the Allies will be able to produce military interference. The only course by which the Czecho-Slovak government can prevent this situation from developing is to assist in the reconstruction of Austria with as much energy as it is devoting to its own reconstruction. Czecho-Slovaks should seek to draw Austria to them with the bonds of an economic union. They should welcome close relations between Vienna and German Bohemia. They should do this for fear German Bohemia and Austria will both turn their eyes to Berlin. An economic confederation between Czecho-Slovakia and Austria would tend to stabilize Czecho-Slovakia herself. It should be sought by them, because without it the union of Austria and

Germany is inevitable. This seeming political altruism is only enlightened selfishness.

In this chapter I have attempted to show that Austria is in process of dissolution. Her dissolution, besides making probable her union with Germany, involves other dangers. In her present state Austria represents a future peril to her neighbors. At present Austria is helpless and harmless; she needs assistance. The burden of giving this assistance should rest mainly, not on the United States or Great Britain, but on her neighbors, Czecho-Slovakia, Hungary and Jugoslavia; because if they do not, they will have to suffer their share of the results of Austria's failure. If matters continue as they are now going, Austrian industries will cease. Emigration on a large scale will take place. Agriculture, which needs the stimulus of industrial races, will deteriorate. All the railroad system of the Dual Empire centered in Vienna; this system which is now at a low ebb, will further disintegrate. Vienna was not only the principal center of life and industry in the Dual Monarchy; it was also the chief educational center. Trained men went from Vienna to every part of the Dual Empire to help direct the machinery of a modern and highly developed civilization. Already the educational system is deteriorating since the Austrian government cannot afford to keep it up. Vienna may become deserted.

Increasing disorder is likely to accompany the process of dissolution. The markets in Austria for exchange of goods would largely disappear and the disorder and deterioration would inevitably extend to Austria's neighbors.

There are two nationalities which possess the nec-

essary qualities to prevent the Balkanization of Central Europe if they cooperate. They are the Czechs and the Austrian Germans; neither can do it alone. The Austrians have not the power. Their national vitality has reached too low an ebb. The Czechs are too small a nation; they have in their country elements of disintegration which, with the enemies surrounding them, will in a few years make their position difficult. The deterioration and disintegration of Austria at present is actually extending to other countries. I call these conditions Balkanic because they are similar to conditions in the Balkans. At the risk of being tedious, I will mention some of the concrete cases which threaten to make permanent the Balkanization of Central Europe.

(1) All classes of the population possess *arms*. The farmers are armed against the city laborers. The latter are in possession of stocks of rifles, ammunition and machine guns. The bourgeoisie is also armed and organized.

(2) Boundary disputes which threaten the peace and cause localized fighting, exist between practically all of the countries.

(3) Tariff and travel restrictions cause the legitimate traveler to be treated more or less as a criminal and impose such restrictions as to prevent commerce and normal intercourse.

(4) There are independent and irresponsible armed bands such as the Pronay and Ostenberg detachments in Hungary which take the law into their own hands.

(5) There is mistrust and hatred between the political parties in each country, which block parliamentary action, and menace the nations with

impending government crises which might lead to civil war. Political parties try to gain control over the military and the police in order to impose their will by force upon the rest of the country.

(6) Counties and provinces, ignoring the central government, take independent action. Instances of this are found in the actions of Croatia, Slovenia and the provinces of Austria.

(7) Organized citizenry, armed with machine guns, resist the payment of taxes and legal requisitioning; an instance is the resistance of peasants at Feldbach against the gendarmes who were sent to requisition cattle.

(8) Foreign Legions have been formed in countries neighboring Austria to attack and overthrow the existing government at the opportune time. There are such Slovak and Austrian legions in Hungary.

(9) Political intrigue and sabotage are carried on by malcontents in the neighboring countries, such as Hungarian intrigues in Slovakia, Pole and Czech intrigues in Teschen.

(10) Robbery and general lawlessness exist to an alarming extent. There has been an abnormal amount of rioting in centers like Linz, Graz, Leoben, etc. Insecurity of freight in transit is general, as is graft in government and private circles. There is complete lack of good-will and a spirit of suspicion among neighboring countries which leads to the maintenance of large and not too well disciplined armies.

There can be little doubt that the Treaties which subdivide the Dual Monarchy have placed by far the heaviest burden of debt upon the smallest and

poorest state into which the Monarchy was carved. In drafting the economic, financial and territorial clauses especially, the Allies went contrary to what they had agreed, namely that "The impartial justice must involve no discrimination between those to whom we wish to be just and those to whom we do not wish to be just." Nor do the treaties insure "equal trade opportunities to all nations."

The Treaties do, on the other hand, impose "contributions and punitive damages." Territory has been taken from Austria (the richest she had) quite irrespective of the nationality of the population. The reason given for assigning these territories to Jugoslavia and Czecho-Slovakia, was that large groups of Czechs and Jugoslavs lived in Vienna and elsewhere in Austria. In exchange for populations of these two nationalities within Austria, slices of territory inhabited by Austrian Germans were given to Czecho-Slovakia and Jugoslavia.

Such a deal amounts to trafficking in the political rights of peoples. The Peace Conference decided in other instances that isolated groups of alien nationalities within a country cannot be considered as entitled to their own government. In the nature of things, such groups or islands constitute voluntary minorities which must submit to the rule of the majority. While they choose to live in the midst of a foreign inhabited country, they give up their rights of separate or national existence within that country. The conference itself recognized that without this limitation, the right of self-determination of nations becomes the rule of chaos and the principle is reduced to an absurdity.

CHAPTER X

Hungary

Although both Hungary and Austria were classed as enemies by the Allies, and received similar treatment under the treaties, still they differ widely in internal conditions, in the psychology of the two peoples, and in the influence they will have in Central Europe.

The Hungarians are an impetuous, fighting people. They have always dominated the other less developed nationalities of the Hungarian kingdom. They still retain some of the qualities which led their forefathers to overrun Germany, and even to invade France. They have governed the territory, and the peoples comprised in the old Hungarian monarchy for a thousand years.

During that time, they often proved themselves arrogant, overbearing and oppressive masters to the less developed, weaker peoples under their dominions. Yet they have been the masters.

In latter years their government was stronger, more modern and more efficient than those of their neighbors, Serbia and Rumania.

It is folly to suppose that this people will submit to their fate under the Hungarian Treaty with meekness or resignation. They were considered good soldiers, perhaps the best, in the Dual Monarchy. During the war living conditions in Hungary were

better than they were in Austria. Moreover, the Hungarians knew how to withstand German aggressions. The German General Staff had developed successful methods, not only of draining into Germany the resources of occupied territory, but also of sapping their own Allies. Hungary was an exception to this rule. The rich Danubian plain furnished food in plenty. The larger share of this food the Hungarians retained for themselves. Unlike Austria, they did not suffer severe want during the years of war and they came out of the war in relatively good condition.

The first real setback for Hungary came from the Bolshevik rule. This incompetent experiment in government brought about the rapid deterioration of the country. Bolshevism was never a national movement in Hungary. The assumption of power by the Bolsheviks was the act of a handful of men. Through indifference, the country allowed the Bolshevik government to assume control.

Hungary was really suffering from nervous prostration; the Hungarians had received a severe shock. After the war, they were led to expect a peace of reasonable justice and reconciliation. They found themselves, however, treated as conquered enemies. On three sides the armies of Serbia, Rumania and Czecho-Slovakia occupied territory of the former kingdom and kept pressing on into the plain of the Danube. Therefore, the men who might have secured the backing of the nation let things slide in the hope that the threat of Bolshevism would compel better treatment from the Allies.

In April, 1919, during the Peace Conference, a copy of a letter from General Franchet d'Esperey to the French government came into my possession. In this letter he urged that the Treaties should not be submitted to Turkey and Bulgaria before the Hungarian Treaty had been signed. He estimated that fourteen divisions would be necessary to enforce the Treaties in Hungary and the Balkans. Among other things the letter said: "One must foresee rapid action, comprehending successive phases to put Hungary *hors de cause.* The Rumanian army must be reorganized and furnished with equipment, etc." The letter shows that the French government and its agents knew that the spirit of the Secret Treaties of London and not the pre-armistice agreement, would dictate the terms granted to enemies. The French general knew of the harshness of the terms to be imposed. Although the Hungarian Treaty was not submitted for a year after the letter was written, events indicate that General Franchet d'Esperey's advice was not ignored in the meantime. "Rapid action, comprehending successive phases," did indeed put Hungary *hors de cause.*

Some months after the general's letter was written, the Rumanian army marched into Budapest and gave Hungary her severest blow. The Hungarians are not likely to forget or to forgive the action of the Allies in this matter. The Peace Conference in Paris requested the Hungarian government to withdraw its troops from the Rumanian front and promised, if it did so, that the Rumanian army would not advance. This promise was made under M. Clemenceau's signature. Ten days after

the Hungarians had withdrawn, the Rumanian army, unopposed, marched into Budapest.

The story of the pillaging by the Rumanian army in Hungary is Homeric. It equals anything of the kind done in the war. The Rumanians took away machines, farm implements, cattle, and even the seed-grain of the peasants. A member of the English Mission, sent into the east of Hungary to investigate the facts, said epigrammatically, that the Rumanians had not even left the nails in the boards!

The American General B of our Military Mission in Hungary saved the Budapest National Picture Gallery. Rumanian auto trucks were already backed up at the door of the Gallery when he arrived. He put the United States seal on the door and told the Rumanian Staff that anyone who broke that American seal would do so at his peril.

After the armistice, there remained in Slovakia, Transylvania, the Banat and Croatia, all of which territories were being occupied by the Czech, Rumanian and Serbian army, about fifty per cent of the rolling stock of the old Hungarian kingdom. Of the fifty per cent remaining in new Hungary, the Rumanian army took, according to the Hungarian government, forty-three per cent of the engines, forty-one per cent of the passenger cars and sixty-nine per cent of the freight cars. The Rumanian army was getting even, and with usurious interest, for what the German army and, to a lesser degree, the Austro-Hungarian forces had done during their occupation of Rumania.

Besides, the Rumanians are a Balkan people. The

methods of their army are Balkanic. What they did to Hungary is what every Balkan army does to its enemies if it can.

The Hungarian Minister of Finance related many stories of the enrichment of Rumanian generals while they were in Budapest. He himself assured me that he had paid a Rumanian general a million kronen for permission to retain three carloads of tobacco which belonged to the Hungarian government. The stores and shops of Budapest were literally emptied by the Rumanian army.

It is since the war that Hungary has principally suffered. The people are much better off than are the Austrians who have been on half rations for six years. The plains of Hungary are so fertile that, even with the looting in eastern Hungary by the Rumanians, the country will have enough food.

The advantages which Hungary possesses over Austria, however, are limited to the food supply. Financially, both countries are incapable of meeting their debts under the Treaties. The same deterioration of money has occurred, and the same rise in prices. Wages are also high. It is the middle and upper classes who suffer everywhere. Speculators thrive in Hungary as elsewhere. Hungarians of wealth have told me that, since the war, they have spent from a third to half of their capital to keep their families and friends going. The government has been loaded, as has the Austrian, with all the government employees driven out of Slovakia and Transylvania. There has been the usual wholesale printing of paper money which one finds in all Europe, but which increases in geometrical progression as you move eastward.

Before the war Hungary was a very prosperous country. The peasants in Transylvania were much better off than were those in Rumania. The government, while not a good government, was better than that of Serbia and Rumania.

Politically, however, the Hungarian government was intolerant. It pursued a policy of suppression of non-Hungarian nationalities by forcing the Hungarian language in every school as the medium of education. Hungarians predominated in all the public services. There was no adequate effort to educate the Slovak, Rumanian or Croatian peoples. Great Magyar landlords kept down the peasants. Consequently, an enormous proportion of Slovaks, at least, emigrated to America and elsewhere.

The Hungarian Kingdom constituted a geographical unit. It was the one country in Europe whose boundaries included all the geographical units which, theoretically, a country ought to possess.

First, there was the central Danubian basin with its fertile plains. On almost all sides the country included the watersheds of that basin. Each part of the country by its natural resources and its conformation contributed its share to the development of the whole. The deep, unconnected valleys of the tributaries of the Danube formed the natural lines of communication by which these valleys of the Carpathian Mountains sustained a large population which could not have made a living in the mountains alone. In crop time this population was in the habit of coming down to the plain to help. Hungary's geographical unity thus constitutes the primal source of its great wealth.

Second, in the mountains were mines of iron, coal and salt, and great soft-wood forests which furnished the plain with these materials.

Third, as to communication: at Fiume, Hungary had her own outlet to the sea while, as to the interior, the Danube was the great waterway of communication both for interior and for foreign commerce, downstream, towards the Black Sea, and upstream to Vienna and to the interior of Austria and Germany.

By the so-called Peace Treaty, this country, in which each natural unit was so related to the whole as to contribute to its greatest utility, has been divided among different countries hostile to each other. Each unit, so detached from the body of the whole, has thereby lost a considerable portion of its utility in the sustenance of man. Therefore, it is reasonable to suppose that the different parts of the old Hungarian Kingdom, no longer having the benefit of their beneficent interrelationship, will not be able to sustain as large a population as before. The deep valleys of the Carpathians have no intercommunication and their outlet to the Danubian plain has been cut by a hostile frontier.

The dense Slovak populations of these Carpathian valleys will find difficulty in sustaining themselves. Their natural communication with Bohemia and Moravia is through a country inhabited by Hungarians and Austrians. A book might be written to show the pity of putting economic barriers across the map of old Hungary, so well fitted as a geographic unit to answer to the wants of man. One asks, what has justified the division so made? The answer is: National antagonisms—for which the Hungarian government is responsible.

A substitute for natural topographical advantage might have been expected in the superior efficiency of autonomous nationalities. Unfortunately, indications do not point in this direction. Inexperience in government by the new nations, national animosities made virulent by the Treaties and territorial limitations, threaten a permanent deterioration of efficiency and cooperation.

Here, as in Austria, the economic wants created by the Treaty among the populations of divided Hungary, have already added to the general unrest of the time Although new Hungary can never reach the prosperity and wealth of the old, yet the amputation to which it has been subjected does not put in doubt (as in the case of Austria) its capacity for self-support. In spite of the justice achieved in freeing the subject races of Hungary, nevertheless the Treaty gives in addition the basis of just grievances necessary to enable Hungarian national leaders to stir the population to seek revenge. In separating the Hungarian Kingdom into its national units, the Treaty has given large groups of Hungarians, who are in juxtaposition with the mother country, to Czecho-Slovakia and to Rumania. For example, Pressburg, given to Czecho-Slovakia, is a German-Hungarian city. East of Pressburg, along the north bank of the Danube, and also assigned to Czecho-Slovakia, is a territory inhabited by a large majority of Hungarians. There are said to be about 800,000 of them. In new Rumania, along the boundary of Hungary, is another solid mass of Hungarians subjected by the Treaty to Rumanian rule. It is to be expected that those two areas will be the seats of continued agitation. They will furnish the means of intensifying and keeping alive national hatreds.

The reason given for this assignment of Hungarian populations is that several hundred thousand Czechs live in groups within Hungary and that there are also some isolated Rumanian centres in Hungary. This argument, as has been seen, was also used in making the territorial boundaries of Austria. Now the Czechs and Rumanians within Hungary can have no national rights except those of citizens of a country where the majority is Hungarian. The real reason for this ethnologically unjust distribution of people without their consent is that Hungary is looked upon as an enemy while Czecho-Slovakia and Rumania are looked upon as friends by those who made the Treaty.

Such a decision by the Peace Conference is perfectly logical and quite in keeping with the realities of human nature. But if such judgments have been arrived at, they were certainly not in the interest of European disarmament. The war has proved that only by its political morality can a nation secure, in its defense, the world's support. Neither England nor France, nor the United States will be able to bring armed force to bear against peoples going to war to liberate their own nationals from foreign rule.

As far as Hungary's relation to Jugoslavia is concerned, there are two sources of discord:

One is Croatia; the other is the Banat.

Conditions in Croatia are much better known than are those in the Banat. The latter country is divided between Rumania and Jugoslavia where these former Allies are in continued dispute. In the territory assigned to Jugoslavia, the majority of the

population is southern Slav (Jugoslav). The Hungarians say that the Serbian population really came there at their invitation. When Turkey conquered Serbia, Hungary opened her doors to Serbian refugees and allowed them to settle in Hungarian country alongside Serbia. Hungarians say that these regions are being given to Serbia because of ancient Hungarian hospitality. This argument, however, like most of the historical arguments, brought forward to influence the distribution of territory in the Dual Empire, has no real application to the present life of the people. There are sufficient difficulties in determining the ethnological distribution of territories in a way to avoid throttling the economic life of nations, without introducing historical elements or the rule of the dead. More and more, modern life demands that people, as well as individuals, shall stand on their own feet.

As a good example of the disintegrating effect of the Treaty, I would cite the flood-prevention system of old Hungary. The Danube and its tributaries are subject to floods. Hungary had built up an elaborate system of water-control. This system extended up into the mountains. Its efficacy depended on unity of operation. Now, the system is under triple management. Part is under the Hungarian government's control, part under Czecho-Slovak control and part under Rumanian control. The Treaty leaves the respective right in these waterworks to be settled by agreement among these three countries, or to be arbitrated before the League of Nations. Flood-protection is a very real and actual thing for the plains of Hungary. The

Hungarian government asked in vain that the system be put under a single international governmental control.

Besides those questions which constitute the moral causes of future wars among the Hungarians, Rumanians and Czecho-Slovakians, there are elements in the Hungarian problem which complicate matters almost hopelessly. The Hungarians are not only incensed over the ethnological injustices which have been inflicted upon them by the Treaty of Peace; they know that the territories inhabited by other nationalities have not been wrested from them by the strength of the subject nationalities. They have lost their kingdom through extraneous forces far removed, which, they think, are not likely again to be marshalled in full power against them.

Many conditions lead the Hungarians to take this view. They see that the Allies, who were united to defeat German militarism and imperialism, are far from united in their later policy towards the new nations of Central Europe. They also see even greater divisions of policy among the Allies in Eastern Europe and the Levant.

Italy and France are both pursuing the ancient diplomacy of strategy and politics.

Italy seeks *rapprochement* with Austria and Hungary. She does this because she fears Slav expansion. She fears a Danubian Confederation, because such a confederation would inevitably take the side of Jugoslavia against Italy. Such a confederation would also inevitably demand an outlet to the Adriatic which would conflict with the Italian desire to have absolute control of that sea. Italy is there-

fore inclining towards a closer union with Germany, Austria and Hungary as a barrier against what she calls Pan-Slavism.

France, on the other hand, views every political situation in Europe through her fear of Germany. She therefore opposes Austrian union with Germany, and seeks herself to strengthen Jugoslavia, Czecho-Slovakia and Poland. Nevertheless, even here the uncertainty of such political affiliations as to Eastern Europe is shown by the new Franco-Hungarian treaty. It gives to France a large control of Hungarian finance and the navigation on the Danube. This treaty cuts under the similar plans of the British concerning Austria. It has also led France to expostulate with the Little Entente (Czecho-Slovakia, Jugoslavia, Rumania) which was aimed against reactionary Hungary and, it is whispered in diplomatic circles, France has even threatened withdrawal of her support of Jugoslavia in the Italian conflict.

Again, all these policies are measured in military units. Therefore, Czecho-Slovakia—a weak country from a military point of view—is becoming less of a pet of France than are Poland and Jugoslavia. The conformation of these two latter countries promises military strength.

Great Britain treats with contempt the ancient diplomacy of strategy and devotes herself to the diplomacy of economics. Regardless of nationalities, she seeks the reestablishment of the markets of Central Europe.

Thus, Hungary sees each Allied nation pursuing its own interest. The Hungarians, therefore, judge that, in the near future, they will be able to meet

their enemy-neighbors on a basis of greater equality. The warlike character of the Hungarians, makes them, under the Treaty terms, extremely dangerous to future peace.

In commercial relations, however, the Hungarians could be easily handled by the superior ability of the Czechs and the Austrian-Germans. Hungarian business methods are certainly not such as would be accepted in the west without a shudder; still the same might be said of almost any country of Eastern Europe. If the coming struggle, therefore, were to take place purely in the fields of commerce, there would be strong probability of maintaining the national situation created by the Treaty. Unfortunately for this conclusion, the Hungarians are bound to make the test in the military field and not in the counting house.

In political intrigue and combinations, as in war, they have always ranked high among the nations of the east. From a military point of view they are to be reckoned with in the future. If there were ever a chance of their accepting peaceably the principle of the right of nations to independent existence, that opportunity disappeared when they read the Treaty. They are indeed doubly determined to recover their lost kingdom, since they are also driven by old traditions and see that the adage still prevails: "Rule over others lest they rule over you." Whether in government circles, or in the street, or in business offices, the Hungarian refrain is always the same: "Our country has been so mutilated by this Treaty that we must fight or succumb."

Hungary, primarily an agricultural land, is

inclined to conservatism. The present government is a reactionary dictatorship. It has the support of the country because the people believe that a strong, reactionary government will be more effective in action against their enemies. Moreover, the present government considers that its neighbors, Czecho-Slovakia and Austria, are in a conspiracy to throttle Hungary because she is not a socialist state. My own observation is that both the Czecho-Slovak and the Austrian government do look upon Hungary with suspicion. Both believe that Hungary will be the initiator of intrigues, conflicts and efforts to reestablish the Hapsburg Monarchy. Despite the traditional Hungarian dislike of the Hapsburgs, there is serious reason for this fear. The Magyars realize that, during their thousand years of domination, they have alienated the peasant Slovaks, Croats and Rumanians. Indeed, their quarrels with the dynasty have always been on account of this peasant population. The Hapsburgs took the part of the Slovak, Rumanian, or Croat peasant against his Magyar landlord and in this way the dynasty gained the devotion of those peasants who have not forgotten the sympathetic support of the Hapsburgs. Hence, very many Hungarians believe that the voluntary nomination of a Hapsburg to the throne of Hungary would be of a kind of guaranty to the peasants of Transylvania, Slovakia and Croatia that the Magyars were prepared to abandon their old, oppressive landlordism. In this manner they hope to create a movement among these peasants in favor of a return to the Hungarian Kingdom. Such political plans might find little chance of realization, were it not that already there is discontent

among the Transylvanians and Croatians—and to a lesser degree among the Slovaks—with their new government.

The Croats complain that the Serbian-Karageorgievitch dynasty is imposing on them a bureaucracy of court favorites from Belgrade, infinitely less efficient and more corrupt and autocratic than under the old Hapsburg administration.

The Transylvanians are better educated and more liberal politically than are the Rumanians. They have been accustomed to a better government than Bukarest can give them. They are not content with their new status. Finally, there has been friction between Czechs and Slovaks in the adjustment of the new state.

It is thus in this atmosphere of popular unrest that the Hungarians are setting to work to reestablish the old kingdom. The first step in winning back the former subject people will be to stir up trouble in Croatia, Transylvania and Slovakia and this process, purely Balkanic, has already begun. Conditions in these countries are, as we have seen, ripe for Hungarian agitation. For instance, the Rumanians constituting the majority of the population in Transylvania, are peasants, and the educated and intelligent class is either German or Hungarian. In Eastern Transylvania, quite separated from Hungary, is a large group of Hungarians, who form a majority of the population there. They have always been the most warlike of all Hungarians and played an important part in fighting Turkish invasions into Hungary. This population may be counted on to keep up a continual agitation. I am told that they have already had their share in the disagreements,

as yet unimportant, which have arisen between the Transylvanians and the Rumans of Rumania.

In Slovakia, 85% of the *intelligencia* class is Hungarian or Magyarized Slovak. They occupied positions of influence in the communities. These Hungarians have been agitating against the Czechs. Thus Hungary has already a huge machinery in each of her neighboring countries for keeping up continual unrest. This situation is appreciated and feared by all governments in the descendant states of Hungary. Dr. Otto Bauer, former president of the Austrian Republic, said recently to me in Vienna: "Hungary is likely to prove the centre of the movement of the Balkanization of Central Europe."

The proposed reinstatement of King Carl on the Hungarian throne spreads terror in the government circles of Vienna and Prague. Both fear the resurrection of the Dual Monarchy. Some foreign representatives, who have studied political conditions in Austria before and since the war, believe that there is little danger of the reestablishment of the Hapsburgs. They say that if Carl is called to be king of new Hungary, it will be impossible for him to return to the Austrian throne. The very fact that he was the choice of the Hungarians, whom the Austrians dislike and distrust, would be enough to make him unacceptable as head of the new Austrian state.

There is much truth in this view. New Austria is very different from the old. Austria's forces of reaction have not nearly the power to-day which the conflict of nationalities within the Dual Monarchy gave them under the old régime. The Austrian Germans are an educated people. If they were

all reunited under one government and were helped to reestablish their economic life, they would, in my opinion, be glad to live under some democratic form of government. They are not a belligerent people, and want only to live at peace with their neighbors.

In its economic features, the Hungarian Treaty has specially angered the Hungarians. They have been deprived of almost all their soft wood and of 80 or 90% of all their wood. Their salt mines have been taken from them. Many of the coal and iron mines have been given to other countries. It is true, these resources are situated on territory inhabited by other than Hungarians.

According to evidence furnished by the Hungarian government, the Treaty deprives Hungary of 80% of its iron ore and 35% of its coal. The year before the war the Hungarian mines produced very great amounts of gold, silver, copper, lead, salt and pyrite. All these mines have been taken from Hungary.

What is more, the Treaty has separated factories from the coal mines which had kept them running and from the iron supply which had belonged to them. In one instance the foundry and the iron mine were only a few miles apart; the frontier was drawn so as to separate the two. Owing to national animosities it now seems as if that separation would be made permanent by frontier prohibitions and tariff regulations. The ethnological divisions in Hungary made necessary frontier lines which would sever national resources from the place where they were utilized. One cannot help thinking that such frontier limitations ought to have been accompanied

by measures to guarantee open markets for all nationalities.

Budapest is very different from Vienna. In the latter city you do not see many military uniforms. In Budapest uniforms predominate. Every other person who passes you wears the badge of some patriotic society founded under the present reactionary government. These patriotic societies are held responsible for much of the so-called White Terror. The White Terror is a reaction from the Bolshevik Red Terror. Both are very similar in method. The Jewish manager of a big factory said to me: "During the Red Terror, the Bolsheviks put five families into my house. They utterly destroyed the beautiful interior of my home. Do you suppose that I won't get even with these people if I have a chance?" Another business man told me how an auto-truck stopped one afternoon at his club and took away half a dozen members to prison, and how, in the middle of the bridge over the Danube, a friend of his with his son were taken out of the truck, shot, and their bodies thrown into the river.

There has been gross exaggeration, however, as to the number of Red and White murders, or so-called executions. What may be said is that the Red Terror started the business and many people think that the Reds are now getting their just deserts under the White Terror. The Red Terror was a régime of disorder and destruction. The White Terror is not. Foreign newspapers give accounts of the daily bursting of White Terrorists into the well-known Hungaria Hotel at Budapest, and of the mob acts of violence seen any day on the

streets of Budapest, but I myself spent some time at the Hungaria Hotel under the White Terror. I associated with both Jew and Gentile and saw no eruptions into the Hungaria Hotel, or any acts of violence anywhere, day or night.

CHAPTER XI

Czecho-Slovakia

Czecho-Slovakia is perhaps the most interesting country of Central Europe. It is an experiment in the artificial construction of a country. Like the old Austro-Hungarian Monarchy, it is composed of discordant nationalities, but unlike the Dual Monarchy, it is not founded on the power of the dominant nationalities to control the others. It is formed by the wishes of the Big Four of the Paris Conference, to establish such a nation. The country is thus not altogether based on the self-determination of peoples, nor on the principle of nationalities. It is not constructed for military or political strength. It is formed with the purpose of achieving economic success at the expense of every other consideration. To it were given the chief natural resources and industrial wealth of old Austria and a generous share of the natural resources of Hungary.

A well-defined section of the territory where the mines and manufacturing centers of Czecho-Slovakia are situated, is inhabited by a large majority of Austrian Germans. This territory is in direct contact with Germany and Austria. A portion of the richest agricultural land of Czecho-Slovakia, which lies on the Danube along the northwestern border of new Hungary, is inhabited by a practically solid Hungarian population.

Czecho-Slovakia is now the most prosperous

country in Central Europe. The Czech krone is worth four times the Austrian or Hungarian krone or the Polish mark and is second in value only to the Jugoslav dinar. The government is composed of men in many ways superior to those in other governments of Central Europe. The country has a wealth of industries. They have the coal and iron for these industries. They have already established the best economic relations with the allied business world.

Czecho-Slovakia might also prove the binding force to hold together the Slav nations. It might prevent the Balkanization of these countries and the consequent deterioration of civilization.

What makes Czecho-Slovakia the centre of interest of all the many experiments of the Peace Conference in central and eastern Europe, are the expectations which attach to her. To this country belong the greatest possibilities of success and the greatest dangers. Austria has lost heart and cannot make the effort to recover without help. Hungary is bent on revenge and on regaining her lost kingdom. Her thoughts are in the past and the spirit of active embitterment will control her for many years to come. Jugoslavia has not the development or the prospect of immediate unity necessary. Serbia is too steeped in her Balkan traditions. Croatia requires all her effort to adjust herself to her new relationships. But in Czecho-Slovakia there is an educated and industrious population, trained in a highly developed modern industrialism and commercialism. These people are the Czechs and the Austrian Germans of Bohemia, Austrian Silesia and Moravia, who, if they unite their efforts

can accomplish a great work. With their experience, their wealth, and their resources, they can spread over central and eastern Europe a network of commercial arteries which will give new life to the exhausted nations.

To accomplish this commercial effort, the Czecho-Slovak government, if it is wise, should develop a policy of trade encouragement and cooperation with neighboring nations, especially Austria, which would convince the latter of its good intentions and its spirit to live and let live.

Unfortunately, war habits and exaggerations of awakened nationalism, aided by the unwise influence of representatives of the Entente, started the Czechs in the wrong direction. Nevertheless, the whole problem still lies in the hands of the Czechs for solution. There is no doubt as to their ability, and I am convinced that their common sense will lead them to overcome the hatreds in their own and neighboring countries, engendered by history, the war and the abominable Peace terms. By a policy of close cooperation they can alleviate the sufferings of their neighbors and become the leaders in the development of middle Europe. Any other course may have temporary economic advantages, but leads in the end to future disorder, suffering and even war.

The government has now awakened and is making an effort to conciliate the different nationalities within the state. It aims also to tone down the hostility engendered by exaggerated nationalism in external relations. The Czechs, however, are not prepared to go the whole way necessary to accomplish the ends suggested. Frequently a stranger

coming to a situation with entirely unformed opinions can estimate it more clearly than those who have long and intimately lived in the details of events. If I therefore outline the dangers I see ahead for Czecho-Slovakia, it is in the hope that these comments may attract the attention of those who have some influence in the direction of affairs.

The Czechs and the Austrian Germans are complements to each other. The Czechs are an educated, hard-working and persevering people. The Austrians, on the other hand, have greater tact and experience in the organization of commerce and industry.

What has happened since the war may be resumed as follows: The Big Four in the Paris Peace Conference distributed territories without much realization of what they were doing; certainly they had no real sense gained by personal touch of the dynamic balance or proportions of their work. The Czech representatives in Paris were able men. They had during the war established close relationship with the representatives of Allied countries. Members of the Paris Conference state that the Czechs secured a pretty free hand in drafting the treaties which distributed the countries of the Dual Monarchy.

Officials of the Austrian and Hungarian governments who came in contact with the Missions sent out by the Allied and Associated Powers during the Peace Conference say that the men sent by the Italians and French were well informed about the situation in central and eastern Europe. They add that the American and also the British Missions had

little intimate knowledge of conditions. Both the Austrians and Hungarians think that to this ignorance was due, in a large measure, the lack of just propositions in the Treaty. Neither the British nor Americans were continental powers. In deciding about these countries they were not influenced by interests of their own. Consequently, their judgments would have been relatively impartial if they had had the knowledge on which to base such judgments. The calamity which resulted was the consequence of their ignorance.

The French Government and General Staff favored making Czecho-Slovakia, Jugoslavia and Poland, as large and as strong as possible. The French believed these nations would remain the allies of France. Italy desired the weakness of the Slav nations, fearing a combination of Slavs against Italian domination of the Adriatic. The French influence far exceeded that of the Italians in the Conference. The French government had secretly hoped that the German Treaty would divide Germany into its individual small states. Finding profound opposition from American and British delegates to this plan, France sought methods to reduce Germany to a point where she would no longer be dangerous. One of the methods adopted for that purpose was the surrounding of Germany on the east by a belt of hostile states. Under these conditions, the Czechs received too large an allotment of foreign nationalities for their own future good.

Czecho-Slovakia was made up of Czechs; Austrian Germans, Slovaks, Hungarians, Ruthenians, and some Poles. The Ruthenians are of the same

race as the Ruthenians of Galicia, and the Little Russians of south Russia. 600,000 of them had spilled over to the southern slopes of the Carpathians from Galicia. The Czechs, in order to secure this closer neighborhood to Russia, granted to these Ruthenians local autonomy on condition that they became confederated with Czecho-Slovakia. This was really arranged in America, where Ruthenian immigrants agreed to finance the autonomous state and have an "American" president.

After the establishment of the government, a constitutional convention was held in Czecho-Slovakia, which gave autonomy to the Ruthenians, but not to the Austrian Germans of western Bohemia, or to the Slovaks. The members of this constitutional convention were not elected, but chosen by political leaders from the various organizations in the country. The Austrian Germans in Bohemia say, and I have not heard it denied, that not a single Czecho-Slovak of Austrian German origin was given a seat in that constitutional convention. Now the political parties of the Austrian Germans in Bohemia and the Slovaks demand the same autonomy as was given to the Ruthenians.

The Czechs, among whom there is only something like one per cent of illiteracy, are to-day the organizers and directors of Czecho-Slovakia. In their relation to the Slovaks they at first made mistakes and pressed their ideas on them too rapidly. It is said that, under Hungarian rule, Slovakia was not allowed to develop. The Slovaks have certainly not had the same educational opportunity as the Czechs. Their educational system is still closely related to

their religion. The Czech Socialist government, in its nationalist enthusiasm, desired naturally to extend the modern system of education over the whole country. Teachers were sent to Slovakia from Prague who had strong convictions about limiting the function of the church in education. These teachers offended the Slovak priesthood and the religious traditions of the country. In addition, the Czech military occupation of Slovakia did not have a fortunate influence. The new army was rather high-handed in exercising its authority, and like most military régimes it became unpopular. The Hungarians made the most of this opportunity by stirring up popular opinion among the Slovaks against the Czechs. There is a saying which the Hungarians have spread over the whole Dual Monarchy, "What in a thousand years the Hungarians failed in accomplishing—the Czechs have brought to pass in a few months; the Slovaks are beginning to speak Hungarian."

Such small frictions are in all probability only temporary, since the Czechs learn rapidly and have already changed their tactics in Slovakia. Among the most advanced Socialists in new Austria, such as Otto Bauer, I found the opinion that the Czechs would be able to consolidate the populations of the country.

The small disagreements of the different nationalities within the country have an importance only in the relation of Czecho-Slovakia to the neighboring countries. One of the political leaders of the Czechs said to me, "Czecho-Slovakia has bad neighbors." It has seemed to me that the permanent and most dangerous causes of hatred which all of the neigh-

boring states have for Czecho-Slovakia are due directly to the terms of the Treaties. It is true that for centuries natural antipathies have existed and the wounds which the war left were sure to be slow in healing. Nevetheless, the social and governmental upheavals which occurred in each of the Dual Monarchies, offered the best medium for relegating national hatreds to the background. However, the terms of the Treaties have made permanent and reinforced these national hatreds.

For purposes of the Treaties, the Allies divided the nations of the Dual Monarchy into enemy and friendly countries. On enemy countries was loaded an overwhelming burden of debt. To friendly countries were assigned slices out of the body of the enemy countries inhabited by a majority of enemy population. This was exactly what the Allies promised not to do. By so doing the Allies revived all the bitterness of national hatreds by giving to these hatreds a foundation of supposed justice.

Czecho-Slovakia is surrounded by the bitterest of enemies. In the old Duchy of Teschen, the Poles and Czechs were actually encouraged to come to blows by representatives of the Allies. Teschen lies on the border between Czecho-Slovakia and Poland. Its value is in its coal mines. Otherwise, the land is worthless. Teschen coal is a good coking coal. Naturally, there is a great industrial development in this district. In Bohemia and Austria, whole centres of industrial population live upon the uses of this coal.

In Teschen, the area of the plebiscite, the population is made up of Poles, Czechs and Germans. The

Poles are probably in the majority. They were divided into Water Poles, or local farmers, who speak some German and Czech, and Polish miners who came from Galicia and Russian Poland to work in the mines. The Water Poles had little national Polish consciousness at the end of the war, but have acquired it since because of the extensive Polish plebiscite propaganda.

The Czechs in this district have a higher development. They are the foremen and skilled workmen, and in part directors of industry. The Austrian Germans, however, are the real managers of industry and constitute the most highly developed and educated class. The question was: Should the ownership in these mines be divided between Poland and Czecho-Slovakia, because the miners who dig up the coal happen to be Czechs or Poles, or should the mines be operated in the interest of the great mass of workers who have lived on the uses to which this coal has been put in many great manufacturing districts throughout the Dual Monarchy? Even with the question settled, the same enmity remains between Czechs and Poles.

One thing would have saved the situation. The Allies should have seized those great concentrations of industry-producing wealth, like coal, iron and other mines, in Teschen and elsewhere, without which the people of the Dual Empire could not exist. Then the Allies could have said: "Until your boundaries are made up we will hold these resources, and will determine the use to be made of them."

Boundaries could have been drawn excluding these resources which are necessary to the economic use of all the countries formed from the Dual Mon-

archy. Holding these districts of concentrated wealth, which luckily lay for the most part on the borders of the descendant states, the Allies might have said to all the new countries: "You owe your independence to our efforts, not to your own. Whatever struggle you made would have been unavailing without the death of several million of our people. It cannot be said that your cooperation was necessary to our success. Your effective cooperation came only after our victory was assured. In fact, most of you fought well on the side of our enemies. We need the economic rehabilitation of the countries of central and western Europe. This is only possible by an economic union among countries of the old Dual Empire. As the price of your political independence, we demand economic union based on free trade. When an economic union has been made which assures to every nation of the old Dual Monarchy an open and free market for purchase and sale, we will then assign the resources of the Dual Empire according to the nationality of the majority of the inhabitants. Thus each industrial center in the descendant nations of the Dual Empire may be assured an equal opportunity in the natural resources of the union."

This is the plan suggested to me by the ablest among the Allied representatives in Austro-Hungarian countries as being the only one which promised peace to the small new republics and consequently the rehabilitation of Central Europe. The opportunity to do this is now past. Of all the Allies, the British see the danger most clearly. They are working to accomplish by big business combinations what the Paris Peace Conference in its shortsightedness refused to undertake.

Far from considering such a plan, conflict in Teschen was actually instigated by Allied representatives. I have seen posters signed with the names of some of the representatives of the Allies advising the seizure of the Teschen district by the Czech army. I have heard speeches of Allied delegates from Paris, stimulating to madness the exaggerated nationalism of the Poles.

Whatever the cause may be, it remains true that over the riches of the Teschen coal field the Poles and Czechs have come to blows. There is a blood feud between them which will have far-reaching effects. To-day the agents of each country have indulged in violent propaganda over the plebiscite.

The coal situation and the railroad problem play a very important part in the new subdivision of eastern and central Europe. A large part of the coal in Poland came from south Russia. Germany also sold some coal to Poland, and there were deposits in western Poland adjoining German Upper Silesia.

The principal part of the coal supply, and I believe all the coking coal of the Austro-Hungarian Empire, came from Bohemia, Austrian Silesia and Teschen. New Austria has only brown or lignite coal and Hungary also has some non-coking coal. Many of the industries and plants of Austria and Hungary cannot operate without the coal from Czecho-Slovakia. The nationalist agitation in Austrian Silesia and German Upper Silesia, between Poles and Czechs, and Germans and Poles has reduced the output of the mines in large degree. The result of this situation is that Poland, getting no coal from Russia, receives but little from German and Austrian Silesia. Austria and Hungary

are also unable to get much coal out of Czecho-Slovakia. What coal they do get comes through the untiring effort of Allied Missions, at least so the Missions and the Austrian and Hungarian governments informed us. Naturally, the Czecho-Slovak governments want to keep the output of the coal mines in the country for Czecho-Slovak consumption. This coal situation must gradually straighten itself out, but in the meantime it is intensifying national hatreds and preventing the reestablishment of normal industrial life in all these countries.

Next to the conflict over Teschen come the political complications over the territory of western Bohemia and part of Austrian Silesia where the Austrian Germans form a large preponderance of the population. These Austrian Germans, seeing the sad plight of Austria and considering the gigantic burden of debt with which she has been loaded, do not for the present seek annexation to Austria or Germany. They would, however, like to reestablish their economic ties with Vienna. They undoubtedly look forward to the time when Austria will join Germany. Then they will demand annexation to larger Germany. For the present, in Czecho-Slovakia, these Austrian Germans are concentrating their efforts on obtaining autonomy for themselves. Roughly, the Austrian Germans are divided into two political parties, the German nationalists, or *bourgeoisie*, and the German Social Democrats. Much as the *bourgeoisie* and the proletariat disagree on social problems, they are united in demanding autonomy for the Austrian German inhabitants of western Bohemia. Their leaders even say they will

fight for it. The Czecho-Slovak constitution, in the framing of which the Germans had no part, provides only for autonomy for the Ruthenians. The Czechs will not give the Austrian Germans of Czecho-Slovakia autonomy, but desire to treat them as minorities.

This attitude of the Czechs is not unreasonable considering the number of Austrian Germans they are trying to absorb. For the purpose of national elections they have jerrymandered the electoral districts so as to mix the German and Czech vote.

Czecho-Slovakia is a relatively small country. It has about 13,000,000 inhabitants. Of these, the Czechs do not have quite a majority. Under the circumstances the Czechs could not afford to allow two to three million Austrian Germans to consolidate themselves politically on the western frontier of Czecho-Slovakia, contiguous to Germany and Austria. This is especially true if one considers that the Austrian Germans of Czecho-Slovakia represent much more power than even their numbers indicate. This district is perhaps the richest industrial part of the country. The inhabitants are educated, well-to-do and capable. They have great capacity in the development and management of large industrial enterprises. They probably have greater resources of all kinds at their command than any other group within the whole of the old Dual Monarchy. One wonders why the Czechs were willing to take over all these Austrian Germans into a new country, as yet unconsolidated. I think that some of the Czech statesmen are beginning to think that they have more Austrian Germans than in the long run will be good for them.

Speaking of the Treaty, one of these statesmen said to me: "It is the spirit of the Treaty, not the letter, that must be carried out. There are things in the Treaty which none of us dreamed of. For instance, there is a clause which provides that all Germans, whether Austrian Germans or German Germans living in Czecho-Slovakia become citizens of the new state. There are 45,000 German Germans in Czecho-Slovakia. We have Austrian Germans enough and we did not want these German Germans. We decided, therefore, to agree with the German government that these 45,000 people should remain citizens of Germany. This question of autonomy is the beginning of the split between Austrian-Germans and Czechs in Czecho-Slovakia.*

The way to prevent it from developing into an open breach, which would lead to war, in the opinion of the representatives of Allied governments who have studied the question, is to prevent Austria from joining Germany. This can be prevented only by the Czechs and they can do it by establishing the closest economic union with Austria, and by helping her to get on her feet.

Another vulnerable point of Czecho-Slovakia is on the Danube, at Pressburg, and eastwards along the north bank of the Danube. Pressburg is an Austrian German and Hungarian town. The district to the east is largely Hungarian, indeed, there are said to be 800,000 Hungarians in it. The strip adjoins new Hungary, and is very rich agricul-

*The Treaty cannot be legally altered without the consent of all the powers who signed it. Therefore the status of these 45,000 cannot legally be fixed by agreement of only two signatures. The question may be raised over property owned by them in Allied countries.

turally. The Hungarians asked for a plebiscite of this region, as they did for all the districts taken from them. The district was assigned to Czecho-Slovakia on several grounds. First, to give to it railroad communication in the plain, between the west and the east of Czecho-Slovakia, and to connect up the ends of the deep Carpathian valleys, which otherwise have no adequate intercommunication. Then the Peace Conference donated Pressburg to the Czechs in order that Czecho-Slovakia might have a port on the Danube. The Hungarians say that a port might have been constructed on the river Marsch at its junction with the Danube, thus avoiding annexing to Czecho-Slovakia a town like Pressburg, purely German and Hungarian in nationality. The rich agricultural district was deeded to the Czechs by the Treaty to give sufficient food supply for the densely populated industrial areas of western Czecho-Slovakia, which otherwise would have to get its food from other countries.

Thus the general idea that seems to have controlled the decisions of the Peace Conference in constructing Czecho-Slovakia, was to make a highly developed, self-sufficient industrial state. This was done by ignoring the principle of nationalities.

The contrast between the principles which the Peace Conference saw fit to apply in forming Czecho-Slovakia and those it applied in the rest of the dismemberment of Austria and Hungary are enlightening. In the former case the Peace Conference ignored the rights of nationalities in order to give economic strength to Czecho-Slovakia. In the case of Austria and Hungary, the Peace Conference refused to consider economic needs in order to

enforce the rights of nationalities, by uniting co-nationals under one government.

Of course, economically, no country could have been more perfect in its geographical unity than Hungary. Yet Hungary was dismembered on the principle of uniting co-national populations. Even so, the principle was not invoked for all Hungarian and Austrian majorities who lived in immediate contact with Hungary and Austria. One is therefore forced to the conclusion that the real principle involved was that Hungary and Austria were enemy states and dangerous, whereas Czecho-Slovakia was a friend and should be made strong.

Some variation of even-handed justice would not have mattered, and was to be expected, because the Czechs were the only people in Austria among whom was found opposition to the war from the beginning. However, the partiality of the Peace Conference for the Czechs cut much too deep into other nations to enable the wounds to heal without further bloodshed. The same principle which governed the decisions of the Peace Conference thereby fixed the relations of Czecho-Slovakia to her neighbors. They are those of permanent enmity.

The last point of friction is in the southeastern portion of Czecho-Slovakia. This land, inhabited by Ruthenians, is claimed by the Rumanians. In spite of the decision of the Paris Conference adverse to Rumania, the Rumanian army still occupied part of this district in May, 1920, when I was in Hungary.

It has been argued that whatever divisions of territory were made by the Conference, Czecho-Slovakia would have the enmity of Hungary, Austria, Poland

and Germany. Even plebiscites, by which the self-determination of peoples is ascertained, lead to conflicts on account of nationalist agitation. Therefore the best way to preserve peace is to establish a peace of victory. Friends must be strengthened and enemies weakened. Wars will always exist. The very essence of progress is conflict; conflict of individuals; conflict of nations. People who hold this theory say that the hatreds of nationalities, which have their origin in the dim recesses of history, cannot be overcome by a paper treaty. These hatreds are as great a reality as are the nationalities. They may even be said to be a part of the fabric which makes the nationalities. According to this view, national hatreds are ingrained, so to speak, in the body of the people, and must continue a fact in the national interrelationships, just as any other fact which must be reckoned with. For national hatreds are based on national differences of body and mind.

What is really meant by this argument is that national hatreds in Austro-Hungarian descendant countries, must continue to be the controlling influence in their international relationships. Luckily for the future of humanity, these sweeping assertions are untrue. National hatreds which bring on wars are created by the unjust and tyrannous actions of governments. National imperialism is the life-spring of such hatreds. Leadership, in which the mass of the people have small part, creates the causes of the hatreds as the guiding influence in the relationship of nations. Small groups of men have secretly and autocratically controlled the direction of international relationship. These leaders have had few rules except their own unbounded ambitions. When-

ever the support of the people was needed, these leaders put in motion, a vast machinery of distorted propaganda to stimulate the people into action. Different nationalities live in peace in America, because they have escaped the influence of such leadership.

With the war came the opportunity. Monarchs fell; republics were formed. New leadership arose. The molten metal of society pouring from the furnace of war was ready for the mould. Traditions, national and international, ideas and ideals, the very structure of society, were in the flux. Nationalism had been humanized in the hearts of the peoples by their common suffering. The masses were ready to accept the right of each nation to political freedom and to self-government. With wild enthusiasm they welcomed the arbitrage of the United States in the Paris Peace Conference, expecting it to be an international court of justice. Then was the moment when this court might have drafted impartial laws for international justice to meet the wants of the suffering peoples of Europe.

They drafted no such laws in Paris. They meted out no justice. They merely imposed a peace of conquerors on the conquered. One of their most unpardonable accomplishments was to have created a situation in which not merely self-interest, but hatred shall control international relations in parts of Europe. International diplomats know that the physical world is being largely developed for the material benefit of man. But they are slow to admit that development of the psychology of peoples is likewise necessary in the interest of humanity. The fact that wars will always exist is no reason against

reducing their number and frequency as much as possible. Wars are usually brought on by minorities. The majority is rarely in favor of war until it has been stirred to the pitch of fury by interested or unbalanced minorities. An old and experienced French journalist said on this subject: "Give me two papers and a news agency and I will bring on war with any country in two years. Give me five newspapers, and I will prevent all wars."

Czecho-Slovakia, based solely on ethnological majorities, would have had fewer possibilities of economic greatness. But such a Czecho-Slovakia would have been much less likely to be crushed by the union of enemies seeking the liberation of their nationals. So real is this situation that political parties within Czecho-Slovakia have already been obliged to adopt a policy in view of the facts. The political elections of the spring of 1920, in a measure were fought on issues concerning these problems.

A member of the French staff said to me: "Czecho-Slovakia is strategically indefensible. It is a long, narrow country. The geographical conformation makes communication between the east and the west extremely difficult. There are a hundred places where the country could be cut in two by a small army in a very short time."

The strategical weakness of the country, the multiple nationalities, many of them antagonistic, the other causes of friction with neighboring states creates a political equation which makes war an imminent possibility for the future.

The Czechs in the last election were, if I may generalize, divided into the Bourgeois and the Socialist parties. The Bourgeois party was strongly nation-

alist. It proposed to hold down with a strong hand the divergent nationalities within the state. As a means to this end, this party looked to an alliance with Russia to protect it against its enemy neighbors. The Czech Socialist party, the opponent of the Bourgeois party, advocated a policy of conciliation toward other nationalities within the state. It also declared its intention to make fair economic treaties with neighboring states to lessen the existing hostility. The Socialist party also looks to its alliance with the Serb-Croat-Slovene State as a measure of protection. The Bourgeois party program was Balkan in conception. It was the same policy as that of Serbia before the war. Serbia prior to the war was protected by Russia and her foreign policy was largely guided by Russian advice. It was not difficult, however, for the Czecho-Slovak Socialists to show that a Russian alliance would be a doubtful asset for some years to come. The Socialists triumphed in the last election.

The Czechs are the Yankees of Middle Europe. They are astute and inclined to drive hard bargains. The difficulty to-day is that the Prague government does not show willingness to go the full length which existing conditions demand in carrying out its policy of broad cooperation with other states. It secretly believes that, by manipulation of frontiers, it can turn the Austrian Germans from Vienna to Prague. It is therefore inclined to keep the great resources given it and to ignore the pressing needs of its neighbors.

Moreover, so far, it has not listened to the proposals of an economic Danubian Confederation.

Just after the elections of the spring of 1920 a

leading Czech statesmen said to me: "We do not want free trade or economic union with other Danubian countries. Such a union would be followed by a political union, which would be a restoration of the Hapsburg régime. Besides, we have nothing to gain and everything to lose by such an economic union.

His idea seemed to be that the other Danubian countries had nothing to give, for Czecho-Slovakia has in her own hands the major part of the concentrated resources of the old Dual Monarchy. The speaker added:

> Under the Hapsburgs, while we did not have just representation in the army or in the Central Government, we did have local autonomy. Our oppression was thus greater economically than politically. Bohemia paid more than her share of the taxes of the Central Government and the wealth produced by our great industrial centers was spent in Vienna. We will make fair economic treaties with our neighbors which enable them to get along.

To-day the duties, restrictions and regulation on exports and imports practically prevent the renewal of commercial relations among Czecho-Slovakia, Austria and Hungary. The Austrian and Hungarian governments, as have been previously shown, are also guilty of prohibitive restrictions. None the less, the Czech frontier restrictions are the ones most rigorously enforced.

Since Czecho-Slovakia has larger resources than have her neighbors, the restrictive interference in commerce has much more important effects and therefore concentrates hatred against her. No doubt these restrictions are due to a desire of the government to reserve its resources for the recovery of its own country. I cannot help feeling, however, that this policy is a mistake. Certainly, according to the

more enlightened members of the Allied Missions in the countries of Central Europe, this policy is sure to make serious trouble.

The industrial system of all these countries was built and operated as a whole. Therefore, to attempt to segregate the different parts by frontier restrictions of quarantine severity, means the complete destruction of large groups of industries.

The Czechs are too near the persecution of the war and the pre-war Hapsburg régime not to think in terms of their past sufferings.

People act as if they expected the ghost of the Emperor Francis Joseph to rise from his grave with a sardonic smile and gather them in under his imperial ermine mantel. They have no confidence in the reality of the new conditions. The Hapsburgs are dead, so to speak, but there is new, effervescent wine in the old leathern bottle of musty history.

The conditions confronting these peoples are new, tragically new, because the peoples do not realize their full import. There is call for leadership of vision, looking not into the past, or even at the present, but to the future. No formula of Machiavelli or Carl Marx will solve this situation.

In the times of the Dual Monarchy, exaggerated nationalism was simply a masquerade by which the Hapsburgs diverted attention from the realities of privilege and autocracy in the governing classes. To-day that kind of masquerade—mad nationalism, has become a death pageant. We see small, new nations overcrowded, interdependent for their daily bread, and yet tearing one another's eyes out over old quarrels, whose reason-of-being should have

ceased to exist with the liberation of each nation. And, most unfortunately, the Treaties keep this situation alive.

The presence of one man at the Peace Conference made such Treaties possible. Had the other Allied public men been left to themselves they would have seen only two alternatives.

First, they might have made Treaties of conquest which would have had the support of a combination of nations in Europe sufficiently strong to insure their permanent enforcement.

Second, they might have made treaties so inherently just as to secure the uncontrolled support of the nations in the League of Nations.

But neither alternative was chosen. The Treaties oppress the weak and dominate the strong.

Such treaties could only be sustained in full if the power of America ensured them.

And near-sighted statesmen are just now learning that the might of America is not to be won to support the imperialism of any nation.

CHAPTER XII

Poland

Before the war Poland was a nation, but not a state. By a series of partitions it had been divided into three provinces, Russian, Austrian and German Poland.

To be sure, the Tzar bore the name of King of Poland and the Russian province was called the Kingdom of Poland. This designation, however, did not indicate any national existence, but rather a district of political tyranny by Russian officials. The Polish people have been oppressed by Russia, demoralized by Austria, and partially absorbed by Germany. But in spite of every effort at absorption and suppression, the vital nationalism of the Poles, surviving every misfortune, was always preserved.

This nationalism, however, could not prevent the various divisions of Poland from having quite a different evolution and the people from growing apart. Before the partition Poland always had a perpendicular cleavage—on the one hand an ignorant and oppressed peasantry, on the other hand an arrogant nobility.

The nobility, was of two kinds, the great and little nobility. The little nobility owned small estates; it held close to the peasant. The great nobility in Russian and Austrian Poland, whose interests did not coincide with those of the country at large, exer-

cised too large an influence in shaping the political activities of the nation.

In German Poland (Posen) the situation was entirely different. The laws created by Germany to Germanize the Polish districts resulted in putting the Polish hereditary nobles out of the great estates and forcing them into commercial life. Consequently, the nobility in the Posen district is different from that in Russian and Austrian Poland. The very laws which the Germans devised to obliterate Polish nationalism consolidated the Poles of Posnania, Pomerania and West Prussia into a united democratic people on which the future security of Poland will largely depend. When I was in Posen the people were indignant because the Warsaw authorities were taking sons of the noble families into the government offices, creating in this way a bureaucracy of nobility which resulted, they said, in the worst sort of government dilettantism and favoritism. In German Poland the old Polish nobility has been absorbed in the economic life. There are few great estates. The population in the country consists of rich farmers, rather than peasants, owning their own land. In the towns, clean and well-kept, there are prosperous middle and industrial classes. Their training has been distinctly German. They are hardwording, methodical, and business-like. The country about Posen is a highly developed agricultural district with fine farms and unusually well-constructed farm houses and barns. The country looks and is extremely prosperous. Here the Poles have established cooperative banks which finance the peasants, help them to dispose of their

product, and now propose to buy farm implements for them on easy terms.

As soon as you cross the frontier into Russian Poland the difference becomes at once apparent. The villages present a poor and slipshod appearance. The farm houses are antiquated and dilapidated compared to those in the German provinces. The farms are under-cultivated and produce far less than in German Poland. Farm land in German Poland was worth about twice as much per acre as it was across the border in Russian Poland. In Russian Poland, especially in the east, the Polish nobles own vast estates. Large numbers of them did not live on their estates, but had residences in the capitals of western Europe where they lived a life of amusement on the earnings of those estates, which were in the hands of managers. Owing to the lack of interest on the part of these large landowners, great tracts of land were not cultivated for want of capital investment. There were also large numbers of the Polish great nobility at the Russian court, who had utterly abandoned their native land and some of whom did not even speak Polish. The important government officials in Poland were either Russians or Germans of Russian nationality. When I was in Warsaw at the beginning of the war, the governor, the general in command, the chief of police, the head of the educational department and the adminstrators of the theatres were Germans of this sort. In fact, Poles never held any important offices in their own land. A local paper published an editorial entitled: "Is this Warsaw or Berlin?" All national movement was suppressed with an iron

hand. Those participating in such action were imprisoned and sent to Siberia. There is hardly a Polish family, some member of which has not passed years in Russian prisons on account of his political views. Consequently the movement for national independence took the form of socialist conspiracy to overthrow the Russian government by force. Of recent years the present Marshal of Poland, General Pilsudski, has been at the head of a socialist national secret organization, whose object was to overthrow the Russian government in Poland. There has been no opportunity for the educated portion of the Polish population to enter into political life except in conspiracies against the government. Even education in the Polish language and traditions had to be carried on clandestinely. The Russian political persecutions gave a character of secrecy and suspicion to the life in Russian Poland which prevented the people from developing a spirit of active cooperation. Hence, intrigue and underhand methods of necessity now play far too important a part in the new state. It must find its way slowly to the light of day from the dark, underground methods to which Polish nationalism was compelled to resort under the Tzarist régime.

In Austrian Poland (Galicia) conditions again differed. The Hapsburgs pursued the policy of "divide in order to rule." In western Galicia the Poles are in the majority, but in eastern Galicia the Ruthenians are the more numerous. The Ruthenians are an offshoot of Little Russians and are included under the general head of the Ukrainian nationality. The Ukrainians of Galicia, or, as they

are generally known, Ruthenians, have a national consciousness. They also have a literature and music of their own. But in Galicia, as in Little Russia, the Ukrainians have developed very little political sense and no real political leadership.

At the beginning of the 13th century Big Russia was a forest wilderness. Then Little Russians emigrated northward and, mixing with Finns and Tartars, formed Big Russia. Kiev, the present Ukrainian capital, had been the center of all Russia and only ceased to be when conquered by Poland. Nevertheless the Little Russians (Ukrainians) still have a distinct sense of different nationality from the Big Russians. On the border between Big and Little Russia the two live for the most part in separate villages. Where they live together they have no social interrelationship. Each nationality has epithets of contempt for the other.

It is a misfortune that, up to the present year, no national constructive leaders have arisen in any part of Russia during the war or the revolution. In Big Russia to-day, although Lenin is not a Russian Jew, Trotsky is a Jew and the Central Committee composed of eight members contains five Jews. In the Ukraine there are no political leaders. Petlura has proved himself incompetent. Wrangel can hardly be counted, as he belongs to a family of Swedish and German origin which has branches in the Baltic provinces, in Sweden and Prussia. As you move westward in Galicia, the Little Russian merges into the Pole. Both peoples are Slavs. The Ukrainian language in Russia resembles Russian more than it does Polish; in Galicia, however, it resembles Polish more than it does Russian.

The story of the outside forces which have worked to develop the Ukrainian national spirit is interesting. In their perennial struggle for independence, the Poles have made use of every method to weaken the central government at Petrograd. There have been very powerful and wealthy landlords in the Ukraine. Through them the Poles endeavored to awaken a national spirit there in order to secure help in their own national struggle against Russia. The Ukrainians received support from the Austrian government also. At one time the Poles from Galicia became too powerful in the Austrian Diet, to suit the Hapsburgs, who then made use of the national Ukrainian (Ruthenian) movement to weaken the Poles in Eastern Galicia, where the Ruthenians were in the majority. Finally, at the beginning of the war, the Germans took up the Ukrainian cause in order to weaken Russia; a big society was discovered in Prussia which spent large sums in Ukrainian national propaganda in South Russia. In the German prison camps Polish prisoners were separated from Little Russians for the purposes of such propaganda.

In all Galicia the Poles are for the most part the educated professional class and the large landowners. There was, however, extreme poverty among the poorer class. Taxation was high, especially in eastern Galicia. The huts of the peasants are poor. They have dirt floors and are in marked contrast to the comfortable and spacious homes in German Poland.

Under Austrian rule the Galicians had local autonomy and developed a class of public officials, composed in large measure of Poles. Unfortunately,

this official class was steeped in the bureaucratic traditions of the Austrian monarchy, of which nepotism was the leading characteristic. These officials are not a desirable acquisition to the new republic.

The Austrian Poles were not politically oppressed as they were in Russian Poland. Besides local autonomy they had their full share of participation in the Austrian Diet and the central Austrian government. In court circles, the Polish nobility played an important part; many of them even now express a liking for the Hapsburg monarchy. As in Russian Poland, this nobility was very powerful. Its undemocratic influence in the new Polish government will be a danger to the Republic.

The different frontiers by which Poland was divided before the war produced different political movements.

In Austrian Poland there was a strong party which held that Polish nationalism could gain more from the Hapsburg dynasty than it could from Russia or Germany. Hence, as Austria was hostile to Russia, the province of Galicia, the home of the Austrian Poles, became the center of the pre-war Polish anti-Russian movement. This had an intellectual and also a socialistic character. It centered about the universities and to-day you will find Galicians in the Bolshevik government at Petrograd. These Galicians, however, were not Poles, strictly speaking, but Jews without a country. On the other hand, in Russian Poland the national democratic party sought to work with the moderate liberals in Russia with the hope of influencing the Russian government to give it a larger measure of autonomy.

During the war the Poles became even more divided in political plans than they had been before. The Polish provinces of Russia, Austria and Germany now became belligerent. The battle line prevented the Poles in the different provinces from communicating with each other. Compulsory military service distributed them among the armies of Russia, Austria and Germany, and compelled them to fight against one another, often brother against brother and father against son. Under these conditions the political cleavage became more marked.

At the beginning of the war the Russian government feared an uprising in Poland and at first withdrew its armies east of Warsaw, but, contrary to expectation, the Poles of the "Kingdom of Poland" sided with the Entente. In this they were influenced by the National Democrats under the leadership of Dmowski. The population of Russian Poland took this position believing that the Entente would be successful and that, under the influence of France and Great Britain, Poland might be reunited with large autonomy. In 1915 the Grand Duke Nicholas even made a public declaration which, though vague, seemed to indicate the Russian government's intention to unite the Polish provinces into one Poland and to give her a measure of autonomy. The action of Russian officials in Poland, however, did not bear out this promise. At the beginning of the war, the Russian Director of Education for Poland issued an order forbidding the use of the Polish language in the study of certain subjects, one of which was geography! Again, there was a sign in Polish and Russian over a hospital in Warsaw; the chief of police had the Polish sign removed.

In Austrian Poland (Galicia), the Poles for the most part sided against Russia and formed a legion of volunteers, commanded by General, then Colonel, Pilsudski to fight against her. This legion had a distinct uniform which the Russian command refused to recognize as a belligerent's uniform. Consequently, when the Russian army captured any of the legion, those prisoners were shot. A Polish officer in the Russian army has told us that he himself was obliged to order the execution of some of his own co-nationals, under this decree of the Russian staff. When the Russian revolution came, the Austrian-Polish Volunteer Legion refused to fight any more and Pilsudski was put in prison. This was the beginning of an opportunity for reconciliation between the Russian and the Polish peoples.

In German Poland, the population, less mercurial than their brothers of Russian and Austrian Poland, bided their time and waited an opportunity to assert their national rights with effectiveness. The Germanizing influences led the German Poles to refrain from jeopardizing their position of well-being by premature national action which had little chance of success.

All the Poles, in fact, seem to have fought well in the armies of their despoilers. A member of the present Polish Diet, put in prison by the Austrian government at the beginning of the war, has told us that, when finally sent to the front, he fought with determination, first, because no other course was open to him, but also on account of the impulse to fight, once arms were placed in his hands.

The Russian revolution had a very salutary effect on Polish national unity. It took from the Austrian

Poles any incentive for continuing the war on the side of the Central Powers, and brought them into agreement with their co-nationals in Russian Poland. The revolution also made Polish independence possible, because it put an end to the secret agreement between France and Russia, by which the latter was to have a free hand in making her western boundaries with Germany, and whereby the Polish question was to remain wholly within the control of the Russian government.

It cannot be said that, originally, the Entente, as such, intended to reconstitute an independent Poland. It was the war itself that brought about the possibility of that independence.

The occupation of Russian Poland by Germany, facilitated the intercommunication of the nation. At once, agitation for autonomy began. With this growing demand, Germany found herself obliged to make concessions. Then President Wilson's declaration in favor of Polish unity gave a strong impetus to the movement for independence. The end of the war made possible the uniting of Poland into an independent state.

After the armistice, the Poles rose in Warsaw and assisted the departure of the German army. Paderewski arrived at Danzig on his way to Warsaw. He was met by Colonel Wade, the British officer sent to receive him. The latter had a pass from the German government and an order from the Paris Conference to go directly from Danzig to Warsaw. The Germans had prepared a special train to take the party to Warsaw, but Colonel Wade and Mr. Paderewski refused to get into it and boarded the ordinary train going to Posen. Their arrival in Posen produced a clash between the Polish population and the

German forces there, which resulted in the armed expulsion of the Germans from Posen and the establishment of a Polish government over Posen. That Polish province of Prussia subsequently becoming a part of Poland.

In Austrian Poland (Galicia), national independence had also been achieved. The Emperor Carl had recognized the rights of the different nationalities to decide their own destinies. In Cracow and in western Galicia, generally the Poles immediately took possession of the government. In eastern Galicia, the returning regiments, mostly Ruthenians, seized the government at Lemberg and established a provisional Ruthenian government. This brought on a Polish uprising in Lemberg, which drove out the Ruthenian government.

So began a war on a small scale between Ukrainians (Ruthenians) and Poles, which finally led to an alliance between Petlura, the Social Democratic Dictator of the Ukraine, and the Polish government. Under this agreement the Poles started their campaign against the Bolsheviki.

By coming under the protection of the Entente, or the Peace Conference in Paris, Poland by no means escaped her destiny of suffering. Always in the throes of external and internal conflicts, she now became the victim of her friends. The Paris Peace Conference was confronted with a *de facto* independent Poland, seeking to unite itself, and to establish a stable government. From the beginning the Peace Conference pursued a policy which was to prove disastrous to the new state.

First because the Polish state had many elements

of weakness. It was only natural that Russian Poland, the least organized and stable of the three divisions of Poland, should have the major influence in the Councils of the Entente, for Russian Poland had sided with the Entente. It was the committee with Dmowski (who had been a Polish deputy to the Russian Diet), that had sat in Paris and directed the affairs of Poland after the Russian revolution. It was Dmowski who was its chief representative in the Peace Councils of the Entente.

From the first it was evident that the new state must largely depend on its relations to its neighbors, Russia and Germany. France and Great Britain were able to help and influence Poland's policy. But in the end France and Great Britain, it was evident, were too far removed to exercise a continual and so a permanent controlling influence over her destinies. Of course, America could give only economic and moral support. Poland's everyday economic and political affairs would of necessity be with Germany and Russia on account of their proximity to her.

One of the temporary weaknesses of Poland was that the three sections, Austrian Poland, Russian Poland and German Poland, would require time to amalgamate. The people in these three sections had each undergone an entirely different evolution. The population, divided for a hundred years in provinces of Russia, Austria and Germany, had grown apart. In order to consolidate itself effectively, the country required favorable conditions of friendship with her neighbors for many years.

Moreover, Poland had no trained public leaders and no army.

The atmosphere of political life in Russian Poland

was that created by the persecutions of a century. In its political bondage the sufferings of the nation have given to its nationalism a historical fanaticism quite inconsistent with political needs of the present day. Nationalism, driven into subterranean methods of plots and intrigue, had been forced to live on traditions in which the real and unreal touched elbows. Under these conditions a government or dominant party could not spring into life and adopt a sane policy. Poland was always the Poland of the past that possessed Lithuania and Danzig, that ruled over the Ruthenians and, dominating Russia, reached beyond Kiev. It was the Poland that had stopped the Turks at the gates of Vienna!

In this distorted atmosphere of unreality, the Entente formulated a policy for the new Polish state which was in its own interest and not in Poland's permanent interest. This policy was a conception of French military diplomacy, acquiesced in by the British because they wished to give France a free hand, insofar as their own interests allowed, in organizing the new order on the European continent. The heart of this plan was to make out of Poland a powerful buffer state as large as possible and strong enough in a military sense to be able, with the assistance of Czecho-Slovakia and even Rumania, to exercise a restraining influence on Germany and even on Russia.

The Americans at the Peace Conference were influenced by a great sympathy for an oppressed nation seeking its independence. Historical boundaries and traditions had much to do in influencing our experts. Americans did look with distrust,

however, on the French desire to build up a strong Polish army and create a military cordon about Germany. They would have preferred to have the representatives of the Peace Conference talk more to the Poles about the League of Nations and the establishment of conditions which would make peace permanent.

Of course it was easy for the Franco-British policy to find a footing in Poland, where the political divisions after the war were based on hatreds of former oppressors. Then, too, the political purpose of each section has changed owing to the defeat and temporary weakness of its enemies. For instance, in Russian Poland they hate the Russians. Pilsudski is their leader; he was always an anti-Russian. His group does not wish to see a Russia too big or powerful, it wants to extend Polish territory towards Russia, and to create small buffer states, confederated with Poland, on the Russian frontier—for instance, Lithuania. The Poles do not consent to any independent Lithuania affiliated to Russia. The Poles of former Russian Poland would prefer a *rapprochement* to Germany rather than to Russia.

The German Poles hate Germany most, they therefore wish to weaken Germany and extend the western frontier of Poland as much as possible. Here the National Democrat, Dmowski, who favored close affiliation with Russia, finds his support. He has left Warsaw and is working in Posen.

The Austrian (Galician) Poles are not so hostile to Austria. They have not the reason for the fear of a dismembered Austria that the German and Russian Poles have of Germany and Russia. The Galician Poles, however, want to possess the whole

of Galicia, even that part which has a majority of Ruthenians (Ukrainians).

Lemberg, the chief city of eastern Galicia, has played an important part in Polish history. It was here that the Poles fought the invasions of the Tartars. The more chauvinist Galicians also dream of the extension of Poland far into Ukraine or Little Russia, bordering the famous frontier of 1772, which marked the highest period of Polish greatness. All Poles sympathize with the territorial aspirations of each group, but naturally each subdivision of Poland, is primarily interested in its own hopes and ambitions.

The Poles are very patriotic, but their political sufferings during centuries of foreign national oppression have so embittered them that they plead their own cause badly and generally impress foreigners, mostly with their chauvinism—indeed it is often very difficult to tell when Polish nationalism merges into chauvinism.

The questions of Polish frontiers are the most difficult ones on the map of Europe. In the last analysis, they are even easier on the Russian than on the German and Czecho-Slovak boundary.

The truth concerning the ethnographical frontiers of Poland on the east is not generally known. Take the question of Vilna and Lithuania and the region north of the old Austrian (Galician) frontier. There has been in the past a tendency for Polish emigration to extend across the old borders of the Russian Kingdom of Poland into Russia. This colonization did not take place evenly along the whole frontier. East of Brest-Litovsk, for example, are the famous but thinly populated Pinsk marshes. In their pres-

ent condition they offer little chance for agriculture. In this region there was naturally little Polish emigration; it took place north and south of the marshes.

On the north the migration followed the line of the Warsaw-Petrograd railroad and extends beyond Vilna. The Germans, during their occupation took a census of this region which showed that it was in majority inhabited by Poles. On complaint of the Lithuanians they took another census of Vilna and this again showed a majority of Poles. Since the war ended the Poles themselves have taken a census of Vilna and the region claimed, and this census shows a majority of Poles.

South of the marshes the emigration extended southeastward into Russia.

Before the war the region of the Pinsk marshes was inhabited by White Russians. Since the war some little investigation has been made by our Relief Committee. The marshes are now practically deserted. The population has either died off or has left the country. The Poles, therefore, claim that a line drawn northeast of Vilna, running south through the marshes in a straight line to the old Austro-Russian frontier of Galicia would include a territory inhabited by a majority of Poles. The Curzon line (only a temporary armistice line drawn by an Interallied Commission within territory clearly Polish) is said to be grossly unjust as a permanent boundary between Russia and Poland and would leave a large tract of clearly Polish territory ethnographically still in the hands of the Russians. It would seem that ethnographical justice required a line somewhere between the Curzon line and the Polish claims. The whole question ought to be set-

tled by arbitration following a thorough investigation conducted by impartial judges. Unfortunately this cannot take place until the problems of Russia have been settled either by a change in government or a development of the present government into something permanently constructive.

If the Ukraine is to have a separate existence, then it would seem that the territory of Galicia, inhabited by a majority of Ukrainians (Ruthenians) should form a part of that state. If, however, Great Russia is to include Kiev and the rest of the Ukraine it is not so certain that the Ruthenians would care, or ought, to form a part of Russia. This raises the question of whether another small, immature state should be allowed in eastern Galicia.

A portion of the Ruthenians south of the Carpathians have already been annexed to Czecho-Slovakia under a government of complete local autonomy. Such a settlement would not be impossible for the Ruthenians of eastern Galicia, provided the Poles sincerely live up to this autonomous arrangement and do not insist on holding the local offices themselves.

The Ruthenians, however, distrust the Poles on account of the preponderance of Polish officials during the Austrian régime, and the consistent oppression of the peasantry by great Polish noble landlords.

Again, on the north, the problem of Polish frontiers depends on the settlement of the Russian problem. It does not seem as if Lithuania, Esthonia and Latvia could exist as entirely separate states. If Latvia and Esthonia again became parts of Russia, either by absorption or by confederation, then Lithuania would have either to confederate with Russia

or with Poland. As there are no Russians in Lithuania, and as there are a great number of Poles there, it would seem unwise and unjust that the country should be joined to Russia. But here again no settlement can be reached at present.

It would therefore have appeared wise for the Poles to accept the Curzon line as a temporary boundary until a further settlement could be obtained by agreement with Lithuania and a more settled Russia. This would have had these advantages:

First, it would have allayed the Lithuanian hostility to Poland.

Second, it would have afforded Lithuania an opportunity to experience the difficulties, political and economic, which confront small, dependent nations.

Third, it would have given Poland an opportunity to demonstrate her capacity to conduct a modern large state and develop the rich resources she already possesses.

Fourth, it would have diminished Russian antagonism and given greater opportunity for a just final settlement without recourse to armed force.

It remains to be seen whether the new boundary, agreed upon in October, 1920, between the Poles and the Russians at the Riga Conference, will prove permanent in the face of proportionately greater Russian antagonism.

So far the whole force of the Polish nation has been devoted to creating an army. There has been little or no economic development. It cannot be supposed that this situation will last or that western

nations will or can afford to lend money to sustain a permanent and large Polish army. Yet, under present conditions, the maintenance of this large army seems part of the plan of the new order of things in Europe. It is impossible to escape from the argument amid existing European conditions that, between hostile Germany on the one side and a Bolshevism bent, perhaps, on the destruction of the Polish state, a large army is essential to the continued existence of the Polish state and nation. I believe, nevertheless, that this idea is self-destructive, and that there should be a radical change in Entente policy. If the present situation continues, the future, it is evident, will only bring greater danger to Poland and fasten upon her an increasing weight of militarism. The more Germany recovers and the more order is reestablished in Russia, the greater becomes the danger of Poland and the greater army she requires.

This brings us to Poland's western frontiers. Here the problems are more difficult, and especially here there is no hope for Poland in militarism. In this line she will be overcome by numbers, superior experience and ability as well as by her unfortunate position between the nether stone of Russia and the upper stone of Germany.

From a military point of view, Poland's corridor to the sea between Prussia and East Prussia is indefensible. As soon as Germany recovers, she can cut across this funnel and breach the chasm between East Prussia and Germany. Poland cannot prevent her. England, Italy and even Czecho-Slovakia have already indicated too clearly their inability to assist

Poland. There remains France, who cannot indefinitely carry the burden of the military maintenance of the *status quo*. Yet Danzig is the natural trade outlet to the sea for Poland, and the Vistula river forms the natural highway for Poland.

If Germany attacks Poland it may be said that France may attack Germany from the west. But such a military policy implies competition in armaments which neither France nor Poland are in any condition to sustain and which as time progresses will become more and more burdensome.

Upper Silesia presents a special and complex problem. Poland's claim to it is chiefly due to the emigration of Polish miners into the district. From Upper Silesia Germany gets a third of the coal for all her industries. Is it right that the ownership of coal fields should go to the nation to which these miners belong? In these days of high economic strain, when the productive capacity of the world is breaking down, to take this coal from its productive function in Germany and give it to Poland (which, for many years, will be in no position to utilize it to its best advantage for the world at large), is to invite further economic disaster. The treaty provides that if the coal fields of Upper Silesia go to Poland by plebiscite, a certain proportion of the output of these mines must be assigned to Germany. This plan has been tried under the Austrian Treaty. But Austria obtains from Bohemia only a fraction of the coal that was assigned to her in the Paris Conference. What she does obtain, according to the foreign Missions, is due to their strenuous efforts. Such clauses are for the most part inoperative in these trying days when cooperation has been forgotten, and

nations go it alone after raising Chinese walls of economic barriers against all of their neighbors. If it were possible to put the coal into the hands of an international board or to provide for the free purchase in the open market of coal and transportation, then Germany might even get her coal on Polish territory to deliver to France and to operate her own industry.

As matters now stand, if Upper Silesia goes to Poland, the Polish-German frontier, will probably be barred to exports as well as imports after the abominable after-war fashion of countries in central and eastern Europe. Under such conditions Germany would have to shut down her industries or stop part of her deliveries to France. This would result in further interallied disagreements, and perhaps in the occupation of the Ruhr coal fields by French troops. Such tactics would bring German industry further to a standstill. The result of German disintegration can only be guessed but, if we are to judge by the results of the disintegration of less thickly populated, less highly organized Austria-Hungary, the result would complete Europe's economic and social ruin. It is useless to suggest that Poland should concede these coal fields in order to get Germany's friendly cooperation. The Poles would not consent to this; their national spirit has been too much aroused. Even if Poles did make this concession, they would not thereby win German support so long as they held the Danzig funnel, which separates East Prussia from Germany. From an international point of view, one thing is certain, the Poles are not a sufficiently developed state to take over the coal fields of Upper Silesia. Where the social fabric of the world is falling apart on account

of economic ruin, coal is too valuable a product to allow these fields to be controlled by inexperienced hands which need external help in developing and consolidating their nation and the resources they already possess. If Poland is to get the Upper Silesian coal fields, that possession should be delayed until the world economic crisis has passed its worst stage.

The foregoing problems are among the most difficult in Europe. Particularly, how are Polish ethnological rights to be reconciled with the economic needs of the European continent at large?

One cannot but feel the deepest sympathy for Poland and the Polish people. Their sufferings and martyrdom are not ended. Whichever way one looks there are breakers ahead. Poland is surrounded by enemies. Each nation is only waiting its opportunity to wound her. There is Russia on the east, Lithuania on the north, Germany, Czecho-Slovakia and the Ruthenians on the west and south. Poland's friends are so far off and so exhausted that their military assistance cannot long continue.

Poland herself is in a pitiable economic situation. The Polish mark is worth about half a cent, about one-fiftieth of its normal exchange. The country was devastated in the first years of the war. Then it was drained of its remaining resources by the German occupation. Finally, it has been sapped by wars with the Bolsheviks, the Germans, the Czechs and the Ruthenians. To expect Poland quickly to build herself up economically under these circumstances is like expecting a man to lift himself by his boot straps.

A million children will need feeding in Poland this winter. The Hoover people contemplated feeding only 500,000 there. In Poland, Germany, Czecho-Slovakia, Austria, Turkey and other countries, American charity will feed the children or distribute food packages. Poland must be helped, but it is no use to help her by disconnected loans unaccompanied by any practical alleviation of her situation. Poland needs help just as Austria, Czecho-Slovakia, Hungary, Jugoslavia, Germany, Italy and even France need help. Each of these countries has something to contribute to rehabilitation if they can efficiently handle their resources and can be induced to part with them. But the estimation of the various national needs and resources requires joint action such as existed during the war and the plan for the distribution of these resources must also be drafted by common consent by international program committees. The help given should in some cases be conditional on political concessions. It is only through international economic boards of advice which formulate world plans for the rehabilitation of Europe that the political questions may be approached with some chance of success.

The elections for Parliament gave Poland a democratic Diet. Even in Galicia, it is interesting to know, the hatred felt for the Polish landlord nobility was so great that the deputies elected from that country belonged to the Radical Left.

Largely excluded from the Diet, the old Polish nobility have infiltrated themselves into the administrative part of the new Polish government. They have shown their patriotism during the war with

Bolshevik Russia, yet they have been held responsible for preventing the execution of the law providing for the distribution of the lands to the Polish peasantry. The law provided that the state should buy the land and dispose of it to the peasants. This law was passed by the Diet in 1919, but the state has not been able to provide the necessary money, and therefore the law has been in suspense. Landlords openly say the law is likely to remain a dead letter. Nevertheless, the economic situation will in the end bring about this adjustment, despite the opposition of the great nobility.

The idea of the Allies, and especially France, of making Poland a strong military state, added further to the influence and prestige of the great nobility. They it was who by tradition followed the career of arms. Many of them had passed through the military schools of France and Russia and had served as officers in the Russian army.

The Bolsheviki have taken advantage of this situation and, in order to demoralize the Polish state, have made as one of their conditions for peace that those mutilated or disabled in war should receive grants of land So important is the land question in Poland that the Polish government at once issued a statement of its intention to distribute lands to mutilated soldiers.

The Bolshevik propaganda for the distribution of land estates among the peasants has undoubtedly a strong effect, especially in the west of Poland. It accomplishes two objects:

(1) The Polish peasants are not eager to fight against those who propose to give them the lands of the nobility.

(2) The nobility is determined not to make peace on terms which deprive them of the estates which have been held under the law of primogeniture in Polish noble families for centuries.

Thus Poland is again threatened with division within herself, just as in the days of her partition. This internal question is really destroying the country. Influenced by Bolshevik propaganda, part of the Polish army refused to fight.

The conflict between Poland and Russia may undo some of the mistakes made by the Entente, for the responsibility of the Polish-Bolshevik war, it must be recognized, rests with Poland and the Allies. The French official press has declared that the Bolshevik campaign against Poland could not be undertaken without long preparation. Consequently the Polish invasion of Russia was represented as a preventive measure to forestall the attack of the Bolsheviks. This argument, like similar arguments made by Germans to defend their attacks against the Allies, has the basis of a half-truth. Not only did it take time to prepare for the Bolshevik invasion of Poland, it also took time for the Polish army to prepare for the Polish invasion of Russia. It probably took the Poles longer because they had no army to begin with and they had to import their material from a long distance in small quantities at a time.

The French and British governments advised the Poles against making a deep attack into Russia. Nevertheless, representatives of the French government did encourage Poland, both during and after the Paris Conference, to assume the chief rôle in the ring of nations by which Germany was to be fettered in the east. According to this doctrine (which I have

heard repeated in public and private conversation a dozen times by members of French missions in Poland), the Poles were to be a military buffer state, made as large and powerful as possible, to hold Germany and Russia apart. In support of this idea of a dominant Poland in the east of Europe, the Allies poured munitions and armaments into Poland. Even America sold millions worth of her armament in France to the Poles. The British government must bear its share of the responsibility because, while it did not want Poland to become engaged in a disastrous campaign against Russia, it gave a free hand to France to pursue her policy of creating a buffer state. The instructions of the British government to the mission it sent to Poland were to give France a free hand in Poland.

The army of General Haller which had been operating in France, was sent to Poland. France has had a very large military mission in Poland, organizing the Polish army and later commanding it, when the Bolsheviki threatened Warsaw.

The precarious condition of the Poles leads them to desire a Russia that is not too great; and it leads them insensibly to interfere in their neighbor's internal affairs. This was the real reason for the Petlura alliance and the campaign in Russia.

To help accomplish this, the Poles thought to consolidate Ukrainian Russia with Ruthenia and then to make it a state confederated with Poland. For this purpose the Poles made a treaty with General Petlura, originally the director of a small newspaper in Kiev, the Ukrainian capital, by which the Ukrainians were to join the Poles in the reconquest of that city.

After the Russian revolution a Ukrainian republic had been established under the directorship of the Hetman Skoropadski. After the Germans left Russia, however, Skoropadski's dictatorship fell, and Petlura established himself as dictator. He was driven from Kiev, retook the city, and was again driven out. For a long time he has been ruling a small Ukrainian territory in southwestern Russia.

The Petlura-Polish treaty was never popular with the Ukrainians, who feared that Poland had imperialistic design on the Ukraine. Hence, the alliance between Petlura and Poland was at best but a weak one, indeed, at the eleventh hour, it is said, some of the Ukrainian forces deserted the Poles.

But the Petlura-Polish expedition turned out to be more than an attack on the Bolsheviki; it brought about a war with an increasingly united Russia. When the Russians of the north saw that the Poles were reaching out into Russia, they united with the Bolsheviki to drive them out.

It was the Bolshevik campaign in Poland, however, rather than the Polish campaign in Russia, which more certainly assured a renewal of old hatreds between Russian and Pole. And, because of successful French leadership, when Warsaw was threatened, Russian hatred was extended to France in double measure. From that moment France has had not only to defend herself against the German danger, but also to protect Poland against a Russo-German peril.

The idea that Poland will be a buffer state, to prevent close political and economic relations between Russia and Germany, is a military conception grounded in weakness. That weakness is being

proved to-day. The creation of Poland has really secured closer relations between Russia and Germany, because they hate Poland with a common hatred. They have once united to eliminate her. They will again unite to control her.

When, therefore, France took over Poland as a step-daughter, she did something that may damage both herself and Poland She planned a military Poland, and, by so doing, encouraged the Poles to reach out beyond the domain assigned to them by the Paris Peace Conference.

The fatal influence of the military viewpoint is evident. Poland cannot hope to maintain herself by military strength. Her chance of permanent existence lies in whatever republicanism exists in Germany and Russia, and her safety lies in establishing amicable relations around her, not in dreaming of the reconquest of the ancient Polish kingdom.

I speak with feeling on this question because I saw in Poland the beginning of the Allied action there.

CHAPTER XIII

In the wake of the Allied Mission To Poland

In the early part of 1919, the Paris Conference was confronted by a situation in Poland which demanded its immediate attention. The Czechs and Poles were fighting over the coal fields of Teschen. The Ruthenians in eastern Galicia were besieging Lemberg. The Germans and Poles were fighting west of Posen. There was trouble between the Poles and Bolsheviks, Lithuanians, and even with the German army under General von der Goltz on the northeastern boundary of Poland. To adjust these conflicts and to examine conditions, a joint commission was sent to Poland by the Conference.

I accompanied this mission to send back news for distribution to the American press. As the material I sent passed through official channels, only a part was published at that time. I give this account to show how impossible it was for the Paris Conference to work in unity since it had not agreed on any basis of principles to control its action in reaching decisions.

There was a French, a British, an American and an Italian delegation on this mission. There were no instructions in common given to the mission as a whole, as far as I could find out, but each delegate received instructions from its national representatives in Paris. M. Noulens, former French Ambas-

sador to Russia, was the head of the mission. He has since become the head of a French-Polish bank in Paris.

From the beginning it became apparent that the mission would not work together. The French government desired to occupy the centre of the field in regard to Poland and Czecho-Slovakia. It wished to cement the alliance of the Entente with these new nations in hostility to Germany. Apparently France did not want much talk about the League of Nations. By her prestige in the war, her advocacy of a great Poland, by the historical traditions which bound them together, the French influence predominated with the Polish government. The old French alliance with Tzarist Russia no longer constituted a danger to Poland. France seemed designated to become spiritual adviser to the new state.

There was only one rival in the field for France in the affections of Poland and Czecho-Slovakia, and that was the United States. The American participation in the war had been followed by victory. The common people of Poland loved the United States. Thousands of them had been to America. Many had brought back gold. All had returned with affection and admiration for the far-off republic. Moreover, President Wilson had first formulated the promise to Poland of independence.

In Czecho-Slovakia the same pro-American feeling prevailed. Many Bohemians and more Slovaks had been to America and had learned to love her. Czecho-Slovakia had found such enthusiastic support for her claims from Mr. Wilson as to make the story still

current throughout Europe (despite many denials) that President Masaryk's wife was the sister-in-law of the President of the United States!

The French feared the influence of the United States. They therefore planned to counteract it.

The train which took the mission from Paris was the first continental train to cross Europe since 1914. Before leaving Paris I went to Polish and Czecho-Slovak missions to get letters of introduction to people in Prague and Warsaw. At the Czecho-Slovak headquarters I was handed the timetable of our journey. According to this we were to pass through Prague instead of through Vienna as had been announced. The train was made up of one sleeping car for each nation and a dining car. I entered the American car and went to pay my respects to the head of the American mission, General Kernan. I told him that according to the timetable given me, we passed through Prague. He expressed doubts of the accuracy of my information and consulted Mr. Lord. The American delegation had been informed that the mission would pass through Vienna. They had telegraphed Dr. Coolidge, the head of the American Peace Intelligence Department in Austria-Hungary, to meet our train at Vienna and give the mission such information as he had gathered through his organization in Poland. I told the General that the Czecho-Slovaks said they had received the timetable of our journey from the French Foreign Office. General Kernan sent his aide-de-camp to the French car to find out what our route was to be. He said that he would have telegraphed to Dr. Coolidge to meet us at Prague if he had known we were going that way. The general's aide brought back word

that the train director was not certain what route we would take. Doubts were therefore cast on the authenticity of my schedule. My schedule, however, was correct and notification had been sent out along the road by the French, of their expected arrival.

When we made our first stop in Czecho-Slovakia at Budweis, there was a delegation to meet the train. In addition there was a band and a Mannerchor. The station had been decorated with French and Czecho-Slovak flags. At the head of all this display of welcome was the local French consul. The latter made a speech of welcome in which he said that France had brought independence to Czecho-Slovakia. The band played the national Czech anthem and the Marseillaise, also God Save the King. A Czech professor from the University of Budweis made a speech of welcome in which he mentioned the French. The whole proceeding showed that the local authorities had been notified that a French mission was coming, but had no idea that any Americans were on board. M. Noulens made his speech in which he said that the Czechs owed their independence to the Entente and America. They should, therefore, remain faithful to their alliance with the Entente against their common enemy, the Germans. In general, M. Noulen's speeches, many of which I afterward heard, were filled with patriotic fire for the Entente and the new alliances with Czecho-Slovakia and Poland against the Germans, who must be held down by the strength of this alliance. Not once did I hear from his lips a word concerning the League of Nations, not a word in public urging amicable relations with neighbors and former enemies, not a word concerning the need of common coopera-

tion to escape from the economic disaster which had overwhelmed the world.

General Kernan had spoken to me about the object of the mission. It was sent to establish peace between the Poles and their enemies. Its function was that of negotiators and judges. Therefore it should maintain strict neutrality. This view seemed to me sound, but with the exception of the Italian delegation, the other delegations did not take this view of the duties of the mission. Their view was rather, if one is to judge by action, that the mission should cement an Entente, Polish and Czech alliance.

At Prague we went to the magnificent "Burg" where the members of the mission had a short conference with President Masaryk. They asked him to restrain the Czech troops in Teschen and withdraw them to the line of agreement made between the Czech and Polish delegations in Paris at the instance of the Council of the Peace Conference. I remember thinking at the time that the action of the mission was hardly consistent. In public speeches, the head of the mission was encouraging nationalist enthusiasm and in private was urging the government to restrain that spirit. The Czech government was new and inexperienced. Its task in keeping the aroused national spirit from overrunning all bounds and encroaching on disputed territory before the Paris Conference had reached decisions was difficult.

During our journey through Poland to Warsaw, there were numerous stops where delegations waited on the mission in flag-bedecked stations. Some of these delegations asked help for the starving population. Everywhere M. Noulens acted as spokesman.

Nowhere was the League of Nations mentioned and on each occasion emphasis was placed on obligations to join the Entente against Germany.

The Poles offered each delegation a palace in Warsaw. The French accepted while the Americans said they preferred to go to a hotel in order to emphasize their neutrality. The Italians followed the American example. The British were already established.

The arrival in Warsaw was a triumph. The station was brilliant with bunting and flags. Paderewski made one of those speeches to which the charm of his personality gave such rich color of human sympathy. Outside of the station a detachment of hussars in brilliant uniforms, and a company of infantry held back the packed crowd.

I believe that the eight hundred thousand people of Warsaw, including the babies, were massed on the mile or more of highway which led to the Hotel Bristol. The second floor of that hotel had been reserved for the American delegation. The Bristol was filled with the élite of Warsaw. There was hardly elbow room in the halls. Outside the hotel a great crowd intoned the sad cadence of the Polish national anthem. When the French delegation saw that Paderewski lived at the Bristol and that the hotel would be the center of the life of the missions, they changed their minds and decided to stay. They preempted the second floor, which had been reserved for the American mission and the followers of M. Noulens installed him by storm in the apartment reserved for General Kernan. The Poles did not dare to eject the French, and apologized to the American delegation. General Kernan, left for several hours without rooms, was given temporary

refuge in the apartment of the Polish Prime Minister. I mention this incident not because it is in itself important, but because it shows the French fear that the American delegates would take too important a position and interfere by their quixotic ideas with the plans for an iron ring of Allied states around Germany and a powerful Poland as a buffer state between Russia and Germany.

The mission stopped in Warsaw, discussing the different conflicts on the peripheries of Poland as well as the economic needs of the new state. General Kernan became restless and urged the mission to go to the different areas of conflict to see conditions at first hand.

During his stay in Warsaw various reports were circulated about the hostile attitude of representatives of the United States towards the national claims of Poland. One day the Warsaw correspondent of the London Times came to inform me that the secretary of the French mission had told him that General Kernan had instructions to oppose the sending of Haller's army to Poland. He asked whether this was true. I at once reported the statement to General Kernan and he authorized me to deny it.

Warsaw was full of rumors of such a nature in regard to the attitude of America. The situation was most difficult for the Americans. In the absence of any instructions in common, or any fixed policy to govern the action of the mission, the delegates of any mission who encouraged Polish chauvinism had the advantage against those delegates who advocated, as the only safe policy for Poland, the restriction of her claims to territories where she had ethno-

logically a majority in her favor It was only human nature that those delegates who favored the only safe course for Poland should yield a little to the pressure of opportunist chauvinism within their own commission.

Finally, it was decided to send a section of the mission to eastern Galicia to endeavor to make an armistice between the Poles and the Ruthenians. Lemberg was being besieged by the Ruthenians and the Poles had difficulty in defending themselves.

The railroad from Lemberg west to Przemysl and Cracow was still open. But the Ruthenians pressed the line from both sides. Polish armored trains taken from the old Austrian army travelled to and fro to defend the railroad. The French General Berthellemy had already been to Lemberg to make an armistice, but had been unsuccessful. The new mission was composed of General Berthellemy for France, General Wiart for Great Britain, Professor Lord for America, and Major Stabili for Italy. We were a couple of days on the railroad. On the journey General Berthellemy explained to me that Poland was to be made a powerful buffer state and that all disputes of territory with surrounding neighbors, big and small, should be decided in her favor. He further explained the strategical weakness of Czecho-Slovakia, which was so long and narrow that it was indefensible from a military point of view. Poland, on the contrary, had more the shape of a circle. It therefore should be made the great Allied military power in eastern Europe.

There was a delay of twelve hours at Przemysl to wait until an attack on the railroad line had been

repulsed. Finally, later in the afternoon, after attaching the flags of the Allies and America to the engine, we started for Lemberg. On the road we were able to note the fact that the Polish army did not know how to place its artillery along the road. We arrived in Lemberg at dusk. In the station, a company of women with rifles were lined up to receive us. A great crowd was assembled around the building. We took up our residence in the Palace of Prince Pototche as guests of the Polish government.

Although on the train the members of the mission were in close association, General Berthellemy had not discussed the terms of the armistice. A few hours after our arrival in Lemberg, the general produced a long document containing the full terms of an armistice. This he had evidently brought with him from Warsaw. He proposed these terms, which should be sent at once through the lines to Ruthenian headquarters. Professor Lord insisted that he must read them through before they were sent. A perusal of the document showed that in it the oil fields of eastern Galicia were placed under Allied control with French management. Both the American and British delegates on the mission rebelled at such terms in an armistice between Poles and Ruthenians. The whole document had to be redrafted. In the meantime, Mr. Lord and General Wiart, accompanied unwillingly by General Berthellemy (because the general considered the Ruthenians brigands), visited Ruthenian headquarters.

While they were out of town, I went to see the Ruthenian National Committee. It met in the offices of the principal Ruthenian newspaper which had

been temporarily suppressed. These people told me that the Ruthenians could not accept General Berthellemy as an impartial judge to make an armistice between them and the Poles. They said that when he came to Lemberg before to make an armistice, he had brought with him, under protection of the French flag, several carloads of ammunition for the Poles. I afterward found that this accusation was corroborated by the Poles themselves.

The attempt to make an armistice was a failure. Its terms would have compelled the Ruthenians to surrender their oil wells, to give up the siege of Lemberg, and to withdraw halfway to the east Galician frontier. At that time the Ruthenians were stronger than the Poles, but there was at no time a chance of getting them to accept such terms. Subsequently, the Paris Conference gave to the Ruthenians all the territory the commission had attempted to take from them in the armistice, and more too. There might have been a chance of making an armistice if the *status quo* had been recognized, but the commission refused.

It is unnecessary to continue this narrative. These rather sordid, though amusing details will suffice to show that the Allies, in dealing with the new Poland and with each other, worked hopelessly at cross purposes.

CHAPTER XIV

Russia

The curious thing about Tzarist or Bolshevik régimes, is that in neither case have the rulers of Russia belonged to the masses, but to the minority. For even Lenin and Trotsky are not of the Russian proletariat. It could not produce them. They are the product of other lands and civilizations. They have earned their living not by their hands, but by brain work. Their success refutes their own doctrine.

The Russian Bolshevists have discovered that the teachings of Carl Marx won't work. They have therefore adopted other methods. Lenin has said that he is no longer a Communist, but a public man experimenting with Socialism. It is owing to false methods, he believes, that Russia for three years has been thrown into chaos. Word went out from Russia that the methods were wrong. Revolution could not be accomplished by democracy. It must be carried on by a minority. The proletariat had to be educated up to work. When revolution came, the word was, "Don't go out on the streets. Work, not eight hours, but twelve hours a day. If the soldiers are on the street, don't leave the factories. Have the wives carry the food to the men."

The Communist experiment in Russia has failed. Lenin, Trotsky, Radek and the others themselves

acknowledge it. The Soviets, as organs of administration, have ceased effectively to operate. They only exist as an influence of political centralization supported by strong military centralization. Whether Lenin remains in power or whether he is replaced by Wrangel or Brussilov, Russia will remain a democracy of small peasant proprietors and she will seek to open roads for herself to Europe and to Asia.

The Bolshevik government indicates a certain willingness to forego plotting in other countries in exchange for the reestablishment of trade relations, of which Russia certainly has as much need as have other countries. The British want to trade and to get the raw material out of Russia; the French want the interest due them on the Russian bonds.

A leading member of the Czecho-Slovakian government said to me that, in his opinion, the Allies were making continual mistakes in their relations with the Soviets, in allowing the latter to have the publicity advantage which the negative attitude of the Allies gives them. By judicious political publicity, he thought, the Bolsheviks could be forced into giving a representative form of government to the people.

Foreign Minister Benes of Czecho-Slovakia seemed to think that the Allied governments ought to be always ready to enter into negotiations with the Soviets, but only on the basis of credentials showing that they do now really represent a majority of the Russians. The Benes opinion may finally compel the Bolshevik government to call a Constituent Assembly.

It is extremely unfortunate that the great mass of Russians are without education or development. The average Russian cannot read or write. He knows only what is told him. Consequently Russians are governed by the small minority, intelligent enough to know whether their leaders come from Tzarist organizations or from the communist proletariat led by Lenin and Trotsky.

Because they cannot read or write, the mass of Russian people is easily made the servant of one idea. It would not be hard to instill into such ignorance as exists in the Russian mass, such fanaticism as led to the conquests made by the Mohammedans in the Middle Ages.

Certainly the advance of Bolshevik armies westward must result in a retrograde movement of civilization. It seems a pity that so many destructive backward steps must be taken by the Bolshevik in order to achieve one step of advance. Yet Russia must climb out of the confusion into which the revolution plunged her.

Meanwhile, unless some agreement can be reached among the governments of western Europe, the Bolshevik armies may, it is conceivable, progress westward and upset the whole continent. It is not too late to mend the situation, even though France and Great Britain, as the countries principally interested, appear to be drifting apart over it. Already the plans which underlay the Treaty of Peace have failed, in so far as the application and execution of those treaties depended on an absolute alliance of France, England, Poland, Czecho-Slovakia, Jugoslavia and Rumania. Perhaps such an alliance was already foredoomed to failure.

There are two general views of the Russo-Polish situation. One is that Poland should have time and opportunity to find herself, that Russia is in chaos and will remain so from twenty to fifty years, that the present Russian Bolshevik government must seek peace and reestablish Russia, and that for this purpose it must try to establish commercial relations with England, America and Germany. During the period of recovery Poland will find opportunity to consolidate and develop the country and also to act as agent of the Western Powers in their infiltration of business into Russia. Whether Russia remains as such, or whether there be a division into unstable states which slowly establish themselves, or whether Russia gradually draws these states together into a federation, any of these processes must be infinitely slow. The Muscovites would thus constitute an element of unrest on the eastern frontier of Poland, but not the danger which an entirely united and imperialist Russia would have been. Under these conditions in Russia, Germany must be kept subject to a French-British surveillance, with pressure from the military occupation of the left bank of the Rhine.

The second view is that Russia, as an agricultural country, is capable of rapid economic recovery. The present Bolshevik régime gives indications of developing into a military dictatorship. The Napoleon of such a régime would be likely to develop a Greater Russian policy and would continue military pressure on Poland. In Germany I found the opinion, even among reactionary Russian refugees, to be that, no other power having developed in Russia, the future Russian government must spring from the *de*

facto Bolshevik government. The weakness of General Wrangel's government lies in the fact that it needs outside help to maintain itself. Yet even France's recognition of Wrangel is only another adventure in the interference in Russian internal political affairs. Coming as it does when Russia is united in the conflict with Poland, the recognition and aid to Wrangel is likely further to alienate Russians from France and may weaken Wrangel in his own country.

The Germans would like to see a united commercial effort between Germany and the Allies to penetrate Russia. They recognize that a German-Russian combination would be formidable. They look forward to it as a relief from their present isolation. They believe that evolution of a stable Russian government out of the Bolshevik venture can be attained only by opening commercial relations. They say that, despite the Polish belief that the Bolsheviks must continue the war to maintain themselves, the Bolsheviks themselves will seek permanent peace with Poland because they need the products and business developments of western Europe.

In radical Germany there is sympathy for the Bolshevik régime. They recognize the Bolsheviks as aiming toward a democratic communism, although it is now becoming evident that, while professing to hold communist ideas, the Bolsheviks are perpetuating some of the worst features of autocratic Tzarism. Communist ideas, the Germans maintain, cannot permanently remain in Russia because the industrial workers, their supporters, are really only an insignificant part of the nation, whereas, for the most part, the uneducated peasant class is wedded to land ownership.

If the Allies wish to have influence in Russia, they must certainly take Germany into their plans. For it is impossible to prevent Germany's undertaking Russia's reconstruction.

If France, for instance, continues to oppose Russia in the conflicts sure to arise, she only drives Russia and Germany the closer together. France's relation with Germany under the Treaty terms would thus become acuter.

Moreover, Poland herself will be forced to establish economic relations with both Russia and Germany; she must automatically become a link in the German-Russian common reorganization. This will alienate Poland from France, if France continues her endeavor to hold the situation created by the Treaty. We have already seen the drifting away of Czecho-Slovakia from the iron hand of the French policy, for Czecho-Slovakia announced her neutrality in the Russo-Polish conflict. Even the British government, it would appear, could not pursue the French policy toward that conflict without going out of office. As for Italy, we find now, as in the past, no favor to the French policy in the east of Europe. The French government, therefore, is increasingly isolated.

A Polish-Bolshevik war has been going on almost from the time of the formation of the new Polish state. Until the Polish invasion in South Russia, however, it was an insignificant affair.

It is doubtful whether Poland can under existing conditions establish any permanent peace with Bolshevik Russia, since the Bolsheviki can best strike at their greatest enemy, the Entente, through Poland. In order to make peace with them, Poland would

probably have to depart from the policy of France toward the Bolsheviki and consent to open her frontiers to Bolshevik trade.

As the Polish war shows, the Bolsheviki have been able to arouse Russia to resist foreign aggression. That war encouraged both Russian fanaticism and Russian unity, no matter how much the Bolshevik army may have been in the condition of the *sans culottes* of the French Revolution, barefooted and in rags.

Once the Bolshevik nightmare has been destroyed, Russia will exercise a strong attraction for countries like Poland, Rumania, Jugoslavia, where the peasants are largely tenants, and not owners of land. Pan-Slavism will reappear, indeed it is already reappearing, under a more or less democratic and social form, for instance in Czecho-Slovakia. There the Socialists have defeated the conservative bourgeois party, which, from the beginning received the support of official French representatives. Upon the attitude which the different governments of Europe take in respect to the new states, will depend not only the evolution of the treaties which have been signed, but especially the political realignments which must take place. Already the combination of an iron ring around Germany, and even around Russia, has been greatly weakened and the strength of the treaties made in Paris thereby greatly reduced.

Russophile sympathies have been awakened among Bulgarians, Rumanians and Jugoslavs, who are not satisfied with the enormous importance and size given to Greece in the Balkans. They are inclined to look forward to future Russian support with a view of revising the Turkish treaty.

Again, all the Slavs of central and eastern Europe suspect a British conspiracy to keep them off the sea. Italy does not hide her sympathy for Russia and is seeking closer relations with Germany. This will be used, however, as a pressure on England to enlarge her influence in the countries of the old Danubian Monarchy. To save her acquisitions in the Turkish Empire, England is hesitating between an agreement with Russia or an agreement with the adversaries of Russia.

If the present disorganization of Russia continues many years, the Pan-Slav movement may not assume a threatening character in the Near East for a long time. In that case Greece may have time to reestablish herself in her new dominions and secure among the Balkan states an era of greater friendly cooperation, based on close economic relationship. Such a policy might produce such stable conditions in the Balkans as would not be upset by entrance into Balkan politics of a reestablished Russia. The uncertainty, however, of what is to develop in Russia makes the political situation still more unstable and gives to all international politics the character of gambling. Each political plan or move is a bet in which the result depends on factors wholly outside the power of the bettor to estimate or to control. The goddess of chance is great, inchoate Russia. If Russia remains inchoate then the states of Central Europe will continue in confusion until Germany puts order among them. If Russia recovers, then a German-Russian combination is likely to control. This situation France begins to realize, and she will probably affiliate herself ultimately with the Pan-Slav movement. The Anglo-Saxon is still standing out and hesitating, and even building dams against

the possible Pan-Slav flood. In the end there must be a settlement between Anglo-Saxon and Slav. It would seem the part of wisdom for Great Britain not to feed the ire of Slav resentment, but to seek cooperation with the Slavs before it is too late.

In vain the conquerors and conquered have made their treaty. They have really permanently settled nothing, because one treaty is still unmade—the Russian Treaty. On it depends the adjustments of all the others.

It is impossible to know what will come out of this confusion. But it is certain that the Russian Treaty, whatever it shall be, will have strong effect on the grouping of the little powers of Central Europe and on the relations of the great powers. The diplomatic edifice, so elaborately and laboriously established during the two years which have elapsed since the armistice, can be considered as shaken. The keystone is wanting. So long as the Russian question is not regulated, the European peace will not have been made.

But, even when the last peace shall be signed one may be in doubt whether peace will have been reached, because the methods adopted in making treaties are false. All the treaties have this same character.

The aim was to give the world a durable peace. The result is that conditions of war exist everywhere. The means proposed were to give satisfaction to nationalities, but the principle of nationalities was too often violated. The treaties are treaties of the peace of conquest and not of justice. The con-

quered accept them with the determination to evade them; moreover, they see that the conquerors do not agree among themselves.

The aim was to overthrow German imperialism. It was successful. But if there has been substituted an imperialism of the conquerors, does not the result remain the same?

There is a curious thing to note. All the treaties are more or less formed in accordance with the secret treaties made at the beginning of the war, 1916-1917. These secret treaties conformed to plans made before the war. Thus the diplomats did not set to work to solve the problems as they were in 1920, but as they were in 1914. Instead of looking to the present, they looked to the past, just as if the war had not changed all the data! German imperialism has been temporarily squashed, but if there have been substituted four other imperialisms, does not the situation remain as dangerous as it was before?

Moreover, a new evil has been added by the war; the economic ruin of Europe and her indebtedness to the United States. Thus the economic position of nations is not at all the same as it was in 1914. The diplomats should have taken up, first, the question of the bankruptcy of some states and the effect of this bankruptcy on others, before attempting to carry out old plans. This problem of avoiding bankruptcy logically preceded all others and not even a beginning in its solution has been attempted. Yet this problem of bankruptcy is the one which will have the most disastrous effect for everybody and it cannot any longer be adjourned. It must be solved, if world disaster is not to follow. In its solution new ideas are necessary, for old ones have neither the strength

nor the breadth to control the situation. It has been my aim to call attention to certain essential conditions. I do not offer a solution, but rather indicate roughly the method which should be pursued to reach a solution.

GREECE
BLACK SEA
Constantinople
Sea of Marmora
Dardanelles
League of Nations
Gulf of Smyrna
Smyrna
BLACK SEA
Batum
Tiflis
GEORGIA
TRANSCAUCASIA
AZERBAIJAN
Baku
CASPIAN SEA
Trebizond
ARMENIA
Kizil Irmak
Angora
TURKISH EMPIRE
ASIA MINOR
ANATOLIA
Erzerum
Aras R.
L. Van
Russian Sphere
Malatia
Harput
Bitlis
Van
L. Urumiah
Tabriz
Sphere of Influence
Marash
KURDISTAN
PERSIA
Adalia
CILICIA
DODECANESE
Rhodes
Adana
BAGDAD
Mosul
Aleppo
Euphrates R.
MESOPOTAMIA
Tigris R.
RAILROAD
British Sphere of Influence
CYPRUS
(British)
MEDITERRANEAN SEA
LEBANON
(French)
Beirut
Damascus
Bagdad
Kut-el-Amara
Nile Delta
Alexandria
Suez Canal
Port Said
Jerusalem
PALESTINE
(British)
ARABIA
EGYPT
Persian Gulf
Basra
Scale of Miles
0 25 50 100 200
Longitude East from Greenwich
Williams Engraving Co., N.Y.

CHAPTER XV

The Balkans and Turkey

When you come to consider Jugoslavia, you are already in the Balkans. It is true that the Croats and the Slovenes have not heretofore been associated with the Balkans, but their amalgamation with the Serbs makes out of Jugoslavia a Balkan state.

This for many reasons. Their political life turns toward the Balkans. Their Slav racial tendencies may draw them into alliances with Czecho-Slovakia, but their real life lies in the Balkan alliances, intrigues and unrest. Economically their life, united to Serbia, must develop from the Balkans outward toward the Dalmatian coast.

Undoubtedly it will take years to consolidate the Croats, Slovenes and Serbs. There are differences of religion and civilization, which under ordinary circumstances would tend to separate these peoples. But, thanks to Italy, Jugoslavia is showing solidarity.

The conditions are remarkably balanced among the three peoples. Serbia desires a strongly centralized state in which she will predominate. Croatia desires rather a federation of autonomous states, and the Slovenes are even more insistent on their desire for de-centralization. This is quite natural. The Slovenes have the smallest number in the Jugoslav combination. They fear that the Serbs and the Croats, each being more numerous, will override

and absorb them. They fear that their minority interests may be neglected, if there is too great centralization. Besides, the Serbs have long been an independent state, whereas the Croats and Slovenes are each beginning their national existence.

The great vital force of the Serbian people and their existence as a nation gives them a certain advantage over the Croats and Slovenes. In a measure, these peoples resent this situation, because they feel that their civilization is superior to that of the Serbs. This source of disagreement, however, is counteracted by the claims which Italy makes on territory inhabited by a majority of Croats and Slovenes. In this respect the Slovenes have been more encroached upon by Italian claims than have the Croats. There are about a million and a half of Slovenes, and approximately four hundred thousand of these are in territory claimed by or annexed to Italy. The cause of the conflict between the Croats and Italians is perhaps less, but the claims of Italy on part of Dalmatia constitute a serious menace to the Croatian people. Consequently, the Slovenes, who have the greatest desire for autonomy within the Jugoslav state, have really the greatest need for the support of Serbia and Croatia in their quarrel with Italy. Croatia is half way between Slovenia and Serbia in the causes of conflict with Italy.

Serbia, which desires great centralization, has a perennial quarrel with Italy over Albania. Both Italy and Serbia are in the wrong, since neither Italy nor Serbia has any rights in Albania.

Aside from this cause of conflict, the Serbians have an interest in the Slovene and Croat states, as the latter form a part of greater Jugoslavia. In

this way the political situation balances the separatist tendencies of the Slovenes and the Croats, for each of the latter needs the united support of a strong centralized state in their struggle with Italy. Thus the policy of antagonism, adopted by Italy against the Jugoslavs since the end of the war, has succeeded in uniting the latter much more than they otherwise would have been.

The territorial dispute between the Italians on the one hand and the Slovenes and Croats on the other is complicated and may be looked at from many points of view. The Croats and Slovenes claim, through alleged rights of nationality, the populations of Gradiska, Trieste, Fiume, Istria and all Dalmatia, with the islands adjoining. On similar grounds, Italy claims Gradiska, Trieste, Fiume and Istria. Most of this country is unproductive, rocky land whose only value lies in the three ports, Trieste, Pola and Fiume, and their railroad connections. The ports of Trieste and Pola were developed by the Austrians and that of Fiume by the Hungarians. No doubt the Italian population of Trieste and Fiume contributed to the development of these ports, but the brains, the money and the plans of commercial relation with the hinterland and the highly developed and excellent railroad connections were of Austrian and Hungarian origin. Therefore, from this point of view, neither Italians, nor Croats, nor Slovenes are entitled to these ports.

From the point of view of commerce, Trieste and Fiume will receive little business from Italy. They should be the ports for the hinterland of Austria, Hungary and Czecho-Slovakia. None of the trade of Jugoslavia will go to Trieste and only a portion

of it to Fiume, for Jugoslavia will have a port on the Dalmatian coast, either at Spalato, or between there and Cattaro. The principal part of the trade of Fiume should come from Hungary and parts of Rumania and Czecho-Slovakia.

From the point of view of administration, there is no reason for giving Trieste to the Jugoslavs; the administration of the Serbs is not up to the standard of Central European management. The equipment, railroad connections and port management of Trieste were before the war superior to that of any part of Italy. Genoa has been developed into a port which does a big business with Switzerland and Germany, but the Italians have lately transferred some of the equipment of Trieste to Genoa.

Fiume is of no use to Italy, except as preventing Austria, Hungary and Jugoslavia from combining to boycott Trieste. Fiume is important to Hungary and Austria and it is a question whether their interests would be better served by Italian or Jugoslav sovereignty over the port. The situation is complicated by the fact that Jugoslav territory cuts the railroad from Fiume to Austria and Hungary, and also two of the railroads from Trieste to the northwest. The Italians are contemplating building another to connect Trieste directly with Austria, through Italian territory without crossing Jugoslavia. In the meantime, as the railroads from Trieste and Fiume to the northwest pass through Jugoslavian territory, the latter can and do establish frontier regulations which prevent normal commerce. The result is that both Trieste and Fiume must stagnate so long as this Jugoslav-Italian conflict is not settled.

The growing discontent of the population of both ports on account of the present situation ought in time to compel a settlement. As far as population is concerned, both Trieste and Fiume proper are preponderantly Italian, but Sussak, a suburb of Fiume, is Croatian. The hinterland of Istria is overwhelmingly Jugoslav. Consequently a majority of the population of Fiume and Istria taken together is Slav.

On the other hand, the Croats were undoubtedly the best soldiers in the Austrian army. They fought effectively against Italy and Russia. They only gave in when they saw the game was up, just as the Germans, Austrians and Hungarians did. The Italians, therefore, with a show of right, claim that if France gets the Sarre Basin and a permanent military occupation of the left bank of the Rhine, because Germany was an enemy, and if Czecho-Slovakia, which was not even an ally, receives an addition of German, Austrian and Hungarian population, why should Italy be discriminated against? Nor does the fact that the Serbians were allies effect the standing of the Croats or Slovenes, who were enemies.

This question of Fiume is one of those instances which shows the folly of the Peace Conference in not undertaking to solve the economic question first, instead of the political. An economic union of Austrian countries, including open ports at Trieste and Fiume, were absolute necessities to the economic life of the countries of old Austria-Hungary. The situation at Trieste and Fiume is depriving these countries of a commercial outlet and is preventing rehabilitation. The longer this situation lasts, the more dangerous it is to the stability of these new states,

and to a lesser degree, to the governments of western European countries, such as Italy and France.

In Dalmatia, while the population of the cities of Zara and Sebenico are probably Italian in majority, the country folk are Croat. Of course, many sides of Italy are stirred by the appeal of an Italian Dalmatia. Undoubtedly the history and art of Dalmatia show civilization to have been Italian in origin and influence. Even south of the area claimed by Italy, such towns as Ragusa, Spalato and others bear the unmistakable character of Italian towns of the middle ages. There is no more perfect example of an Italian mediæval town than beautiful Ragusa with its massive walls, sculptured palaces, paved squares and graceful fountains.

I am not going to outline the race struggle between Latin and Slav which has gone on in Dalmatia. Ancient and mediæval Italy is not modern Italy. Modern economic life no longer permits history to be the test of national sovereignty. The great majority of the Dalmatian people are undoubtedly now Slav.

Military, naval and political men are deeply interested in the Dalmatian question. The naval supremacy of the Adriatic lies, according to them, in the possession of Pola and Dalmatia with its islands. On the Italian side there is not a really first-class port except, perhaps, Venice. On the Dalmatian, there are many wonderful bays. Their deep anchorages under the protection of the islands furnish unrivaled sites for ports. The only difficulty with these sites is that behind the narrow strip of coast land rise precipitous hills, often cliffs, which separate Dalmatia from the interior, from Herzegovina

and Bosnia. There is only one break in this wall by which a railroad could descend to the sea, and even here the grade is so considerable that the cost and difficulty of transportation would be vastly increased by it. This is the reason why, commercially, Fiume plays such an important part in the plans of the new Jugoslavia. On the Croatian coast, south of Fiume, there are other natural deepwater ports near Zengg, where a harbor could be made, but here also there are high cliffs separating the mainland from the sea which would require a tunnel costing many millions of dollars.

The Italians claim their full share under the treaty of London, which, I have shown, gives them Trieste, Istria and a strip of the Dalmatian coast. Under this treaty, however, Italy ceded Fiume to Croatia. The Italians say that, since the Secret Treaty of London was made, conditions have changed and that their position now is a much more perilous one nationally than it was before because, under the old Austro-Hungarian Monarchy, they had a certain protection in the conflict of nationalities within the empire; now, on the other hand, they face a united Jugoslavia, and behind this Jugoslavia is a growing Pan-Slavism which includes the Slavs of Czecho-Slovakia and the Balkans and which looks toward Russia for support.

This consideration leads us directly to Belgrade, now the center of the revival of the Pan-Slav movement, a movement exercising a dominant influence on the political developments in the Balkans and Turkey.

There are at present in Serbia forty thousand

Russian refugees. A Serb speaking of them said to me: "When there were a few thousand Serb refugees in France, the French people complained that there were too many. We, a much smaller country, have so many Russian refugees that we are quite swamped with them." These refugees, having nothing in particular to do, have busied themselves in stimulating the Pan-Slav movement. The movement has crossed the border into Bulgaria where the Bulgarians are talking about united interests with Serbia while they concentrate against Greece with all their war enmity.

In Czecho-Slovakia there is a growing Pan-Slav movement based on the perilous situation in that country. The Czechs know that they are surrounded by enemies; they therefore look more and more to the Pan-Slav movement to protect them. The first move made in this direction is the Czech treaty with Jugoslavia.

The Pan-Slav movement is largely emotional in character. It finds support in the story which one hears everywhere that there is a conspiracy in Great Britain to keep the Slav off the sea. As proof the Slavs point to Constantinople, practically in the hands of the British although promised to Russia. Through alleged British influence, Bulgaria was driven from the Aegean and her territory given to Greece. The British wink at Italy's hold on Fiume. The Allies of Great Britain, the Japanese, have been encouraged to encroach on eastern Siberia and even to seek the annexation to Japan of Vladivostok. The British have recognized the independence of the Baltic states, thus pushing Russia further back from the North Sea. This idea of persecution, so many

times repeated, has become a reality in the minds of the Jugoslavs.

The accusation against Great Britain is no doubt unjust. For instance, I know that during the Peace Conference it was the French who were most eager to have Thrace given to Greece. Their experts testified that Thrace with Dedeagatch had a majority of Greeks in its Christian population and ought to go to Greece. Great Britain sided with France against the protests of Italy, which at one time received the support of the United States. Italy subsequently sold out for concessions from Greece, which concessions she has since been compelled to abandon along with most of her imperialist designs. This change was brought about by her economic condition and by the refusal of the Italian people, to fight for the imperialist purpose of subjugating other peoples. Indeed the Italian people have had enough of war and I really doubt if an army could now be raised in defense of Fiume.

To return to the Pan-Slav movement and ideas, there are indications that this movement will result in action on the part of Great Britain, which will give color to the Pan-Slavic idea of British persecution. The situation in Jugoslavia leads one eastward for every Balkan problem centres in Constantinople. The Turkish Treaty furnishes the keynote to Balkan politics.

Before considering the effects of the Turkish Treaty, it is necessary to consider the nature of the people who are affected by the Treaty. To understand the problem it is important to take Turkey as it existed in 1912.

European Turkey extended from the Albanian

coast on the Adriatic to the Thracian on the Black Sea. Between Albania and Thrace was what is called Macedonia. After the second Balkan war Macedonia and western Thrace were divided among Serbia, Greece and Bulgaria. This division was unfortunate for the people and the prosperity of the country. Salonika was the port for Macedonia, just as Constantinople was for Thrace. The new Greek frontier cut that port from its hinterland. Consequently Salonika has deteriorated ever since. The hinterland has suffered correspondingly. The less said ethnographically about the distribution, the better.

Macedonia and Thrace have been so overwhelmed by religious and nationalist propaganda and oppression, that nationality has come to have a sinister meaning. It means to the population all the wars, uprisings and persecutions which have made the life of the native a living hell, in the name of religious nationalism. There is no country concerning which there are more ethnographical statistics. Statistics, however, are here almost valueless, for nationalities are hopelessly mixed. Bulgarian villages, Greek villages, Serb villages, Kutzo-Valach villages lie in juxtaposition without possibility of ethnographic delimitations. These villages change their nationality in the course of a generation according to the vigor and wealth of religious national propaganda. The aims of this propaganda have to do with schools and churches, and often result in attacks of armed bands of a semi-professional character. All these movements are supported by funds raised outside the country in the different Balkan states.

Statistics are often made for a political purpose.

In order to estimate the value of racial statistics made at any period, you must know what the political situation in any locality was at the time the census was taken. As to the people, they always answer just what the census taker wants, or what their individual interests require at the time. The only way at present of securing information is by observation of national types. The people themselves often do not or will not tell their nationality. The heel of armies has for so many years ground the unfortunate country to the quick that it is nothing but a bleeding sore. The population, in the course of its precarious existence has belonged to many different nations. Many persons have several passports of different nationality. Frequently, when asked their nationality, they will choose that to which they think you belong. If they do not know your nationality they are likely to answer that they had belonged to several nationalities, but do not really know what they are.

Religion to them is synonymous with nationality. They belong to the Greek or Bulgarian or Serbian church. They have long suffered under the revolting cruelty of the mercenary bands of national comitajes, who, perennially under the pay of Balkan nations, ravage the country with fire and sword. The average Macedonian has had his house burnt down once or twice. His personal property has been frequently taken from him, his father was assassinated or died in war. He has lost one or more sons and at least one daughter has been violated.

The Macedonian, therefore, does not build a good house, he does not accumulate much worldly belongings. He knows that any excess of wealth will bring

upon him disaster. He is very chary of what he says to strangers, especially military men. He seeks to make up his mind what answer is wanted, for, if he makes a mistake, he knows he is likely to be beaten or thrown into prison.

Anyone familiar with Macedonia knows that the land, from Albania to Thrace has changed hands frequently since the Balkan war in 1912; that before that time it was "no man's land." The atrocities committed in these districts in the name of Christianity are only exceeded by those committed in the support of Mohammedanism. This territory, which lies between the old frontiers of Greece, Serbia, Bulgaria and Constantinople should not be assigned to any Balkan state. No one of them has acted toward the Macedonian populations to justify their incorporation within its domain.

Bulgaria has the best administration of any Balkan state, corrupt though it be.

Surprising as it may seem to some, Bulgaria is a better developed country than the others. The ownership of land is widespread among the peasants, whose industry is greater than in any other Balkan country. Bulgaria is, however, militaristic and her methods are perhaps more cruel in war than those of other Balkan states. Although there is not much to choose in the Balkans, the Bulgarian level of civilization is in many respects lower than that of Greece.

The Serbs are a fine, upstanding fighting race. They have the virile qualities of the Middle Ages developed to a remarkable degree. They have the

race vitality to develop into a great people, more so probably than the Bulgars, who yet appear more "formed" as a nation. The French call the Serbians savages. There is a small class of highly developed, educated Serbians, but in the main the percentage of illiteracy is great and their culture low. There is in Serbia a patriotic society called the "Black Hand." In no other country would a patriotic society have such a name. This society is the one which assassinated King Alexander and Queen Draga. During the war a dozen Serbian officers among whom was a sprinkling of men belonging to the Black Hand were shot in Salonika for plotting the assassination of the Serbian regent. The Serbian government is somewhat undeveloped, corrupt and inefficient.

The Greeks have a greater degree of culture than any people of the Balkans. They are more law-abiding and peaceful than the Bulgars or Serbs, but not as industrious as the Bulgars. Greece has not developed the country over which she has dominion, especially from an agricultural point of view. In Salonika her administration is said to be ruining the city. This deterioration, however, may be due in a measure to another reason. Salonika was built up by commerce with the hinterland. When Greece got the city, the new frontier cut off free communication with the interior, thus robbing Salonika of its source of commerce and wealth. Venizelos is probably the ablest man in public life in Europe to-day. But he lacks honest and efficient officials to support his administration. He is a mountain of strength in a plain of inferiority. This situation was empha-

sized during the war, because nearly all of the educated and upper class sided with the King.

During the war many Macedonians fought in these different armies. It was a common thing for Bulgarian prisoners to be taken out of prison camps as Greeks or Serbians, and put into Allied armies. Bulgarian soldiers sent across notes saying: "Tell mother I am all right."

The only just solution of the Macedonian question is in the formation of a Balkan confederation in which Macedonia shall have an autonomous local administration. This solution would avoid national persecutions which inevitably result from the annexation of extraneous territory by a Balkan state.

The Balkan confederation has been one of Venizelos's dreams. He recently told me that he did not expect it could be accomplished for a long time, but he hoped to make commercial and economic treaties leading in this direction with Rumania and possibly with Jugoslavia. With Bulgaria he considered the task impossible at present on account of the animosities aroused by the war and especially by the peace.

The revival of the Pan-Slav movement and the Slav hostility to the decisions reached in the Turkish Treaty, and their hostility to Great Britain may prevent any very close Greco-Slav alliance. Greece, however, will make a treaty with Rumania, for Greece and Rumania are in a similar position, both weak from a military point of view and both threatened by Slav aggression against their new dominions. A greater Russia is going to demand the return of Bessarabia to Russia, and the Ruman-

ian administration there has been such as to justify that demand. The Slavs, with Bulgaria in the lead, naturally do not like to see Greece in possession of the whole Aegean coast. Rumor has already reached them that Great Britain even intends handing over Constantinople to the Greeks.

In Asia Minor there is also a very mixed population. Roughly, the majority of Armenians are east of Anatolia around Lake Van. The greater number of Greeks are about Smyrna and the Turks are between the two. The Arabs are in Arabia, the Syrians in Syria, the Jews in the Holy Land, the Kurds in the mountains near the Arabian frontier, and the Fellahin in the Cilician plain, but there are groups of most of these people scattered about promiscuously in Anatolia. The Armenians are a little everywhere, they reach over the Tarsus mountains down into the Cilician plain. They are in all the large towns, Smyrna, Trebizond, Marash, Adana, Malatia, Erzingan, Erzerum, etc. It is a question whether they form a majority in the country assigned to them.

The Kurds are the great enemies of the richer Armenians, from whom they pilfer when in need. Many a night I have spent in their villages and the mountains surrounded by groups of these tall, lithe, smiling mountain brigands. They have the virile virtues and vices. They are fearless and possess physical prowess. I remember once sitting before their hospitable fire, surrounded by the men and women, for the women do not veil their faces. By my side sat their priest, with long white hair, shaking his long white beard as he gazed into the fire,

when, suddenly looking at me, he asked, "Why is it, Effendi, that money kings now rule the world instead of religious teachers?"

These Kurds are quite subject to religious fanaticism. In one of these villages in the mountains near Malatia, I was told of a prophet who had risen among them. This holy man assured the villages that he could make them invulnerable. After the necessary incantation, he led them in a raid against the neighboring village with whom they had a feud. The inhabitants of this second village, hearing that a prophet had made their enemies invulnerable, ran away to the heights overlooking their village, where there remained only a few decrepit old men. On came the prophet and his disciples in the deep snow, for it was winter. One of the old men, too rheumatic to get away, took up his rifle and, on the chance, took a shot at the invulnerable invaders. One of the disciples, wounded by the shot, bit the snow. The prophet, seeing himself exposed, took to the woods, and I was told that his disciples, rifle in hand, have been searching for him ever since.

It will be seen that the Kurds are not an easy people to reduce to a condition of peaceful civilization. There are so many people of similar tendencies in the country which has been assigned to the Armenians that it is difficult to see how they can protect their co-nationals without a very large armed force. Venizelos recently said to me that the Armenians now have an army organization and that, if they can get the necessary loan to finance their government, they can reestablish peace in their own country. That may be so, but, knowing both Arme-

nians and Kurds on their native heath, I believe it will be cheaper in the end to pay the Kurdish chiefs regular salaries to keep their own people in order.

There is considerable anxiety among statesmen about the future of Armenia. Yet no government comes forward with an offer to act as mandatory. This throws some light on the motives of governments in assuming the role of mandatory. Armenia alone is not a profitable field for any mandatory. Neither in positive population nor geographical conformation is it a self-sufficient country. The fact is that the whole of Asia Minor, Anatolia or Kurdistan, is a unit. Each part is economically dependent on the other, and ought to be operated as an economic unit without customs frontiers. Just as in Salonika, the Greek frontiers about Smyrna will cut the city from its hinterland and both the city and the hinterland will suffer, so Armenia will be bottled up at the east end of the Black Sea by the intervention of the Turkish frontier between it and the Aegean. The British have now secured from the Georgian government the concession for building a railway from the port of Batum on the Black Sea up to the Armenian frontier. This assures British control of the best Armenian exit to the sea.

Another reason for compelling an economic union in the different countries, is that this will bring a large measure of peace and security. The population is hopelessly mixed. At Trebizond there is a large colony of Greeks. The city is within the territory assigned to new Turkey. This colony will be sure to be abused by the Turks if some settlement between Greek and Turkish nationalities is not

reached. Such a settlement might be reached by maintaining Greek colonial sovereignty, but giving the Turks a free trading port.

When you analyze the causes of war you find that one of the chief sources of national antagonisms which lead to war is tariff and trade discrimination among nations. Mr. Benes, the able Minister of Foreign Affairs of Czecho-Slovakia, said to me: "If you remove tariffs you can eliminate war." In countries where there are large industries, this may prove a difficult matter. But in a country without industries, which has formerly existed as a unit, it would seem like adding to the fire of discord to allow a lot of small nations to establish discriminating trade laws against each other. There already exists a sufficient number of national causes of conflict in this unfortunate land. It may be said it is impossible to prevent the establishment of Greek, Turkish and Armenian customs borders where trade discrimination will be maintained, but if all the great powers of the world join in forming a League of Nations based upon economic cooperation, if, in a measure, they pool their world interests, so to speak, they would have economic and moral leverage to compel free trade in such countries as Anatolia. None of these countries can get on without its help, and not one of them could endure an economic boycott. Of course, for this purpose it is necessary to take in Germany and even Russia.

It is important for their economic development that all these countries of the Near East have free trade with each other and economic development alone can bring civilization. Poor and desolate they may be now, but they are capable of great fertility

and have many resources. The present political divisions, I am told by everyone, taken with the bitterness engendered by the treaties, have led to guerilla warfare to which there seems to be no end in sight.

What then are the motives which led to the Turkish Treaty, and how are conditions adjusting themselves? The peoples whom the treaty concerns have no illusions as to the purposes of the great powers in the division of Turkey, and they have been actively displaying their feelings concerning these motives. It is here that the most flagrant violations of the spirit and letter of the Fourteen Points have been made because the secret treaties have largely to do with the partition of Turkey among the Allies.

France at the last moment would have liked to maintain the integrity of Turkey, at least over European Turkey, Asia Minor, and probably Arabia and Syria. France has been veering very slightly away from the British alliance and toward a sympathy with the Pan-Slav movement. Moreover, France owned about 70% of the Ottoman debt and if Turkey were dismembered there would not be much chance of the payment of this debt.

Great Britain saw that this could not be done. Public opinion in many lands demanded that the Turk be driven out of Europe and that he be no longer allowed to rule over Christian peoples. This was especially true of public opinion in Great Britain and America. Besides, the dismemberment coincided with plans of the British government formed before the war and embodied in the secret treaties during the war. In these plans British

imperialism was deeply interested. France's interests were centered in Germany. Italy at that time sought principally expansion in the Adriatic and the Balkans, with a weather eye, it is true, on the Oriental basin of the Mediterranean, but Great Britain was vitally interested in the division of the Ottoman empire which she saw must come.

If one follows the diplomatic developments since 1895, it becomes evident that the British Foreign Office aimed at controlling the lands bordering the Indian Ocean from Capetown to Singapore. It appeared as if this control were essential to the stability of the British Empire. At least no great foreign power should be allowed to get foothold there. For this reason the German Bagdad Railway caused such a turmoil in British imperial circles It is to be noted that the Indian Ocean belongs to the field of commerce of ships passing through the Suez Canal. Beyond Singapore there is competition with those passing through the Panama Canal. Along with this policy of the Indian Ocean came the magnificent plan of the railroad from Capetown to Cairo. The extension of this plan was in the hands of Lord Milner.

In addition to this railway plan, developed in Africa, came the plan to extend the British influence around the Persian Gulf to protect India. This plan was under the direction of Lord Curzon. But between the two plans of stupendous conception there was a hiatus, the Ottoman Empire driven like a wedge between the British Empire of Africa and that of India. A victory in this war was to abolish this hiatus by the dismemberment of the Ottoman Empire.

According to the Secret Treaties the war was to end this source of danger to the British Empire. In eliminating this hiatus there were several slips.

First, there was the Persian situation where Russia always threatened. Before the war a British zone of influence bordered the Sea of Oman next to Afghanistan. There was also a neutral zone between the Russian and the British zone of influence beginning south of Yezd, and reaching to the Persian Gulf. During the war Great Britain obtained through a secret treaty with the government of the Tzar the concession of the neutral zone as a British sphere of influence in exchange for recognizing the Russian zone of influence with full powers of control as far south as Ispahan and Yezd. This agreement is mentioned in the memorandum of the Russian Minister of Foreign Affairs, February 19th-March 4th, 1915. After the war, the government of the Tzar had fallen; the British control was extended to the whole of Persia by the Treaty of 1918, made directly and exclusively with the Persian government in spite of the extreme weakness of that government.

Secondly, there was Mesopotamia. The British government had always considered this region as an annex to India because all the lines of navigation connected it with Bombay. In the plan for the internationalization of the Bagdad Railway, which failed to be put through in 1914, all the sections of the railway below Mosul were to be placed under British influence.

The domination of this region cannot be made certain without the control of the nomad Arab tribes. On this account arose the idea held for a long time

by the Foreign Office of a narrow kingdom having Mecca as its political capital and the university of Al Azhar in Cairo as the center of religious and administrative influence.

This political conception, an old one, found support in economic necessity. Two staples of industry are of vital importance to Great Britain.

First, cotton, because the United States is manufacturing more and more of its raw cotton and is reducing year by year its exportation. This situation might lead to the ruin of the textile industries in Great Britain, one of the principal sources of the wealth of that country. By introducing a system of irrigation Mesopotamia can produce as much and as good cotton as Egypt.

Secondly, mineral oil, which by utilization of mazout is transforming the conditions of commercial and military transportation. Important oil areas have been found in Mesopotamia and Persia, and are said to equal those in the Caucasus. The Anglo-Persian Oil Company, half of whose capital has been furnished by the British government, obtained from Persia in 1918 a monopoly over the oil fields there and the Franco-British agreement of San Remo gave to Great Britain the oil fields of Mosul.

Finally, the economic reasons for the plan of dismemberment of Turkey were reinforced by religious reasons. The Mohammedans of Persia and a part of those of India are Shiites and their religious center to which they make their pilgrimage is the tomb of Aly at Hit, near Bagdad. The Mussulmans of Mesopotamia, Arabia and the Pundjab are Sunnites and look towards Mecca and Constantinople.

To have a moral control over all these peoples, it was necessary to hold Bagdad, Mecca and Constantinople.

Such a plan would compel Great Britain to seize the whole of the Ottoman Empire. Here, however, she was confronted by the ambitions of France, Italy, Greece and probably Russia. Some adjustment of these national ambitions became necessary.

Great Britain was principally interested in that part of the Ottoman Empire which faced the Indian Ocean. She was ready, therefore, to make concessions on the side of the Mediterranean. In this region also there were secret treaties which controlled. There was the Sykes-Picot agreement of 1916, completed by the agreement with Russia to whom Constantinople and the Dardanelles were given. It also became necessary to make concessions to Italy in the Treaty of London.

The fall of Russia and the conduct of the Turks under the proposed dismemberment of Turkey, of themselves almost compelled the occupation of Constantinople. Still it must be noted that by this occupation, Great Britain secured control of the Straits to the Black Sea. In Constantinople it is openly whispered that, in case of necessity, the British will hand the city over to the Greeks, because Greece, a country which borders practically everywhere on the sea, will be completely under the control of the British fleet. Great Britain finds further incentive to give Constantinople to the Greeks because of the Pan-Slavic movement, which has lately developed in countries of Central Europe and the Balkans, and of which Great Britain is in fear. In an enlarged and

strengthened Greece, Great Britain sees an ally against Pan-Slavism.

As the confusion increased, Great Britain became embarrassed by the excessive burden which the war and her plan of empire were imposing upon her. America had declined a mandate to Armenia and could not even be induced to join in the general plan for the political reconstruction. Italy had withdrawn her claims to territory in Asia Minor and France had difficulty in establishing herself in Cilicia and Syria. Great Britain was likely to be without an ally in her empire building. She therefore bound Greece fast to her. It is for this reason that Greece obtained all her claims (eastern and western Thrace in Europe, Smyrna and the district around it on the coast of Asia Minor), much more than she expected to get when the Paris Peace Conference opened.

It is far from me to condemn the British plan and achievement. Wherever the British Empire reaches out it brings development and prosperity. Generally the lot of the native is improved. So British profit and native gain go hand in hand. As a manager of colonists, Great Britain is undoubtedly the best. Yet this prosperity is at the expense of the self-determination of these nations. No doubt the logical outcome of British dominion over undeveloped natives leads in the end to their autonomy. But the process is slow and arduous and meets with the opposition of those who through generations profit by the operation of the British colonial machine.

In Egypt Great Britain has added greatly to the land under cultivation. She has brought prosperity to the people of the country. Yet the people have

not been content, they prefer to be less prosperous and have their own way. Britain will grant them a large measure of autonomy, but perhaps the world will have less cotton.

To return to the Turkish dismemberment, the trouble with the British plan is that it applies to conditions of 1914 and not those of 1920. Great Britain and her allies are not able to carry the burden they could have carried in 1914. The peoples of the earth, even the undeveloped ones, demand the right to be arbiters of their own destinies.

Conditions are rapidly bringing about a change of front. The rights of nationalities demand recognition. Egypt, from being a protectorate, will receive self-government. Mesopotamia will be self-governing. Kemel Pasha is still in rebellion and the possibility of his receiving aid from the Slavs is disquieting. Persia is in revolt and India is threatened.

After all it has been found necessary, even by Great Britain, to come back to the spirit of the Fourteen Points. How much better it would have been if they had been followed at once before the hatreds of peoples had been aroused. In this hatred lies fertile ground for the Central Powers to work, seeking revenge for the treachery practised upon them. Moreover, the process carried on in the Near East by Great Britain has aroused and at the same time offended French and Slav imperialism. Both of these have now a tendency to support the nationalist and religious movements against Great Britain. It is no mystery that France secretly favors the Turks. The people of Moscow, more bold, have already agreed to support with munitions and troops the movement of Mustapha Pasha. I am officially

informed that the Bolsheviks have even made a treaty with the Armenians by which they are allowed to pass munitions and troops through to the Turks.

As a consequence of all this the British Empire is in a perilous position. England, France and Greece are forced to make great military and consequently financial effort which further exhausts them. War has settled over Turkey in permanence and is completing the ruin.

Finally the Turkish Treaty, by its substance and execution, has raised national hatreds instead of allaying them. It has brought discord among the Allies, it perpetuates discord and war instead of bringing an era of cooperation and peace. In this respect it does not differ from the German, Austrian-Hungarian and Bulgarian treaties.

Gradually events are tending to eliminate the worst features of the treaties. Great Britain, owing to long experience of world empire, is the first to see the necessity of altering settlements to meet new conditions. On account of the Pan-Slav awakening, Great Britain is consenting to an exaggerated enlargement of Greece which will strain the resources of that small country beyond reason and may in the end prove less advantageous to her than a slower development would be. There are two large alien populations in the territory assigned to her. Her sudden growth has excited the jealousies of other Balkan states and threatens to unite them against her. In addition, Greece is saddled with a personal guerilla war with the Turks in Asia Minor.

The alliance between Belgrade and Czecho-Slovakia and the *rapprochement* of Belgrade with Sofia are hostile indications to Greece. As a counterbal-

ance, Greece seeks alliance with Rumania. Both Greeks and Slavs are at present vying for the favors of Rumania, which as usual is coyly holding both suitors on the string. A good deal will depend upon whether Rumania fears more to lose Bessarabia to Russia, or Transylvania to Hungary.

At present the new political alliances in south, central and eastern Europe and the Balkans are in flux. Several motives influence the different states. Those which have been dismembered are seeking alliances to enable them to recover their lost territory. The new states and those which have been enlarged are governed by the fear of being deprived of their great and new acquisitions. These states, therefore, are seeking combinations against what is left of the dismembered countries. There is in addition the jealousy of the newly formed, enlarged states which leads them to distrust each other.

There are indications that Great Britain and the other Allied Powers are deserting imperialism and being forced by events back to the principles of settlement advocated by the United States. Or rather they are coming slowly to realize the need of facing the conditions which underlie the necessity of the Fourteen Points. They see that united economic effort is necessary to save the world from progressive deterioration.

America alone stands in the offing, shocked at what she sees in Europe, herself rapidly advancing towards an economic crisis, but as yet lacking vision to grasp the fundamental need of economic unity which she alone can bring to pass.

CHAPTER XVI

Economic Reconstruction

At the close of the war many of the men in charge of the governments of Europe had become imbued with a considerable distrust of democratic institutions. This may be partially accounted for by the impress left by Germany's fearful autocratic efficiency. It came also as the result of the unprecedented centralization of power and abridgement of individual liberty which developed during the war in all democratic governments.

President Wilson's Fourteen Points and his elucidation of them were in direct conflict with the foregoing tendency.

Potentially, at least, the real issue of the Peace Conference lay between the extension of democratic principles, with regard to international relationships as opposed to the retention of secret and somewhat autocratic international relations. The former required a peace of conciliation, the latter had as one of its chief objects the extension of the imperialistic system.

With all its weaknesses and shortcomings, democracy finds a good defense in a comparison between the relations of individuals in a democratic state and former international relations of governments, which, even in democratic countries, have been largely subject to autocratic control.

Outside of the Foreign Offices of government, only one part of the community has interested itself and participated in the international relations of the peoples—the financial group.

This group has pursued a selfish policy in its own interest, quite disregarding the interest of the great mass of the community. Financial interests, therefore, have had much greater influence in the control of the relations of peoples than they should have had. They have even had much to do in creating situations leading to war.

During the last forty years the story of international finance has largely reduced itself to a conflict between British and German financiers. (After the affair of Fashoda the French were removed from the path of British finance in its plan for constructing the Cape-to-Cairo Railway). The British financial interests were imperialistic, partly because they had to sell the products of their steel factories for the construction of new roads. German competition stood in their way.

In the original agitation the financial interests of Birmingham centered around Joseph Chamberlain. It was at this time that the tag "Made in Germany" revealed the triumph of German competition in the steel trade. It was then that Sheffield and Birmingham people combined to exclude Germany from all international railroad contracts.

The first manifestation of this quarrel was in the Transvaal. The Cecil Rhodes promoters desired to control railway building in South Africa. The Boers were inclined to buy their material from Germany The constant friction developing from this situation was one of the reasons that led to the Boer

War. The Germans in East Africa were building railways toward the Transvaal and assisting the Boers. The Transvaal government, behind which were German financial interests, stood in the way of the gigantic plan of a road from Cairo to Cape Town. Apparently there was no effort of a compromise or a consortium; that idea in international finance developed later.

The second place where the conflict developed was in Turkey. Here the British had a railroad from Smyrna into the interior. The French had roads in Syria centering at Beirut. British financiers wished to build two roads from the Persian Gulf; one to Bagdad, and one into Persia. The German financiers came to Sultan Abdul Hamid, and said to him: "This system of the French and the British of building roads from ports into the interior of a country is disintegrating Turkey. They will have the means for making a military occupation of these regions, whereas you have no railroad from Constantinople to different parts of the country by which you could bind it together. We propose to build a road which will traverse the whole empire. Starting at Constantinople, it will cross Asia Minor and, in Syria, divide into two branches, one going to Mecca and the other to Bagdad. This road would connect all the different parts of the empire with Constantinople. It will prevent the British from reaching in from the Persian Gulf and taking a slice or from building down to Mecca from Egypt and thus securing the religious highway of Islam. Incidentally, this plan will further our interests because, through the railroad, we can extend our commercial relations in every direction which it is impossible for

us to do over British or French roads in Turkey." Abdul Hamid saw the strength of this argument and sided with the Germans. A Turkish revolution followed. The young Turks got their money to accomplish the revolution in France and Great Britain; it was supposed that the French and British had a solid grasp of the Young Turk party. Talaat Bey went to Paris and London to confer with the French and British governments about the policy which Young Turkey was to pursue. Financial France said: "At last Turkey, with all its possible concessions, is ours." To the Young Turks the French government said: "We will let you have all the money you want, but you must follow our plan. You will take Charles Laurent as your financial adviser." Charles Laurent is the same man who has recently been appointed French ambassador to Germany. Sir Edgar Vincent, now Lord D'Abernon, was head of the Ottoman Bank (controlling the Turkish Public Debt). He is now British ambassador to Germany. Both of these men worked together in Turkey. Laurent said to the Young Turks: "All receipts of the Turkish government must go into the Ottoman Bank. Every expenditure of the government must have the O. K. of the management of the Public Debt. All orders for railway equipment must go to French and British concerns." The Young Turks said: "This will be economic tyranny. We will not accept these conditions," and they turned to the Germans and did business with them on easier terms.

Before the war rival railroad systems added to the embitterment which finally resulted in war. The Central Powers counted on controlling the Balkans

economically by means of their control of the through railroad communication, Hamburg-Vienna-Budapest-Belgrade-Constantinople-Bagdad.

Serbia was hemmed in by the Austro-Hungarian frontier on the one hand and by German-controlled Turkey on the other. Having no outlet to the sea, she became tributary to German Middle Europe. According to Austrian and Hungarian statesmen, the economic dependence of Serbia on the Central Powers was a constant point of irritation between Serbia and Austria which, in large measure, produced the hatred and agitation between Serbia and Austria and finally led to the war. Serbia's chief product was pigs. Her natural markets lay in Austria and through Fiume. In other words, she had to export through Hungary. Hungary had pigs of her own to export. She put obstacles in the way of the importation of Serbia's pigs across her frontier to Austria and to her port of Fiume. Austria was opposed to this policy of Hungary, but had no point of contact with the Serbian frontier. Anybody in Austria or Hungary will tell you that Serbian pigs were the basic cause of the war. Allied financiers proposed before the war to relieve the Serbians of this economic domination of the Central Powers by connecting the Danube by railroad with Valona in Albania. The Italians were more than willing to join in this plan since it gave them access to Serbian markets through Brindisi. This plan was looked upon with hostility by the Central Powers.

These few instances are cited to illustrate specifically how a preponderant influence, exercised by

powerful financial interests or relatively small economic groups, may jeopardize the peace of nations.

So interdependent have nations become that it is not sufficient that every economic interest of each country be given its due consideration. It is now necessary that the essential economic needs of other nations be considered in the interest of the common welfare.

Now the fundamental error of the makers of the Treaty was to have applied to Europe of 1920, plans made before the war and fixed by the Secret Treaties of 1916-17. Economically and financially, the interior situation of each country and its relation to other countries were completely different from those which existed even in 1917. To understand the error and to repair the fault it is necessary to establish this fact clearly.

The Financial Pool.

In August, 1914, everybody, friends and enemies, thought the war would last six months. Economists, especially the Germans, had even proved that the war could not last more than a year without destroying the financial organism. But from the beginning of 1915, with the double defeat of the Russians in Prussia and the Germans on the Marne, it became evident that the war would last much longer.

The expenditure of arms and munitions were incomparably greater than had been expected. In 1915 Russia and Serbia became incapable of raising the money for their war expenses. Then the rich Allies became the bankers of the poor ones.

France gave credit for arms and munitions to Belgium and Serbia, and England to Russia, though

Kitchener called attention of the Russian government to the corruption of their purchasing agents. England guaranteed the purchases of Russia in the United States. Later the same thing was done for Rumania and Italy.

France and England became the bankers of the war. France advanced in this way from the beginning of the war up to the present time:

To Russia, 4 billion francs in gold; to Belgium, 2 billion, 250 million francs; to Serbia, 500 million francs; to Italy, 875 million francs; to other Allies, 1 billion, 250 million francs; a total of 8 billion, 875 million francs in gold.

England advanced:

To Italy, 12 billion, 700 million francs in gold; to Russia, 14 billion, 200 million francs in gold; to Belgium, 2 billion, 450 million francs in gold; to Serbia, 500 million francs in gold; to other Allies, 1 billion, 975 million francs in gold; a total of 31 billion, 825 francs in gold.

But the day came when France in turn was incapable of paying all her expenses. She addressed herself to England who advanced the necessary sums. France owes England 12 billion, 700 million francs, or 4 billion francs more than she has lent herself to other Allies. Thus England became in fact the only banker of the war.

In 1917 the financial resources of all the Allies became exhausted. It was the moment of the overtures of peace by Prince Sixte of Austria and the peace proposals of M. Briand of France. If the United States had not taken financial charge of the affairs of the Allies, and Congress had not voted

10 billion dollars for purchases of the Allies in the United States, the war might have ended.

The United States being the chief furnisher, the war could be continued. To-day the United States has advanced:

To England, 21 billion francs in gold; to France, 15 billion, 750 million francs in gold; to other Allies, 12 billion, 400 million francs in gold, a total of 49 billion, 150 million francs in gold.

From these figures it will be seen that the war bankers were the United States, England and France. The last named, who loaned only 8 billions, finally herself borrowed 28 billions. If the international balance of debt is made, it will be found that the United States and England have a net credit of many billions, whereas France, Russia, Belgium, Italy, Serbia, and other Allied countries owe billions.

In this way the whole military effort of the Allies on the continent of Europe was dependent on the credits given by the United States and England. Without these credits the war would have ended in 1917 disastrously for the Allies. Victory was due in the first instance to a financial pool which handled the credit of the Allies for the common interest.

The Economic Pool

But it is not sufficient to have credit. It was necessary that each belligerent should transform this credit into food, armaments and the means of transportation in order to place these resources at the disposition of the populations and their armies. That is why there began to be constituted in 1917 a series of national and international organizations

for the distribution of material. Some of these organizations had been begun before. They were gradually formed and increased in number and importance to the end of the war. Most of the international organizations were only advisory in character, but their advice was almost always followed by the governments of the Entente. These organizations estimated the available material. They also estimated the needs of each country and classified them in the order of urgency. Then they made the plan of distribution. Among the most important of these organizations was the International Commission, which formed the plans for the distribution of shipping among the Allies. There grew up also nationally and internationally

A committee on wheat

A committee on grease and meats

A committee on coal

A committee on oil

A committee on wool

A committee on metals, etc.

A committee on munitions and manufactured products

The house of Morgan became the common organization for the purchases in America of all the Allies. Thanks to these different committees the resources of the Allies were distributed where they would do the most good. These committees also prevented competition among the Allies which would have raised prices of exaggerated speculation and increased waste.

Finally, in the interior of each country, organizations of distribution had been created which often

went as far as rationing the country and fixing prices. The most notable example of these were the food controllers in different countries.

No doubt in each one of these organizations each government retained its sovereignty and its autonomy. In fact, however, all of the Allies placed their resources and their needs in a common pool in order better to utilize their credits and in the interest of each one; it was a kind of cooperation of the peoples, an economic society of nations.

Naturally the enemy nations had done the same thing. As they were poorer they had even begun before. Thus Herr Rathenau of the German Electric Trust started the German organizations in 1915. Germany became the banker of Austria, Bulgaria and Turkey. In a general way they handled their agricultural resources, their raw materials and their munitions in common.

To sum up, the war from 1917 was a struggle between two international cooperatives. Defeat would come to the one which first exhausted its stocks. The victory came to the Allies because the cooperatives which sat in Berlin had no more stocks, whereas, thanks to America, the cooperatives of London still had some.

It would be well to tell here the decisive part played in the battle of Picardy and in the final offensive of Foch in October and November, 1918, by gasoline. The German army had no more gasoline from the time she lost Rumania. The cornering of the German army in Northern France was a victory of the motor truck over the locomotive. Lord Curzon said: "The Allies were carried to victory on a flood of oil."

The situation on November 11, 1918

The Hohenzollerns had fallen. The German Empire had turned into a democracy. German industrial imperialism was beaten. The commercial imperialism from Hamburg to the Persian Gulf was broken and the merchant marine which guaranteed expansion on the seas was at the mercy of the Allies. Prussian militarism could have been destroyed at one blow. It was only necessary to disarm the German divisions before they returned into their own country. The political aim had been reached.

Two problems remained to be solved: first, the economic reconstruction of Europe; second, the political reconstruction. The solutions and the treaties would differ radically according to which of these problems was taken up first. The diplomatists of the governments in Europe wished to begin with the second. They saw in victory the opportunity to carry out their imperialist programs made before the war and put on paper in the Secret Treaties of 1916-1917. The result of this system is already showing itself.

The Americans, free from any treaty obligations, at first thought of economic reconstruction. From this point of view the situation might be stated as follows:

The European continent came out of the war economically ruined.

In particular the Central Powers and Turkey had reached the last degree of exhaustion without food, without raw material, without credit. They still had their economic tools almost intact.

On the other hand the Allies on the European con-

tinent were not less impoverished in food and raw material. For almost two years they had maintained themselves by credit and importations from the United States and England. In addition a part of their territory in Belgium, France, Italy, and Serbia had been laid waste. It is true they had a right to payment of indemnities from the vanquished. This could have furnished the base for a part of their credit.

In a measure England, but especially the United States, came out relatively well, although severely weighed down by the many billions of francs advanced to the Allies—a capital of which they had need in their own industrial development, and for which their taxpayers had to pay the interest, while awaiting the time when the Allies on the continent would be in a position to carry the load. The rich bankers of the war could not lighten their charges except in the measure that their Allies in Europe could begin to pay their debts. The latter could pay their debts only to the degree that the enemies were able to pay and in a measure these payments would put them in a position where they could produce.

This situation compelled England and America not only to continue their credits to the Allies, but even to help their ex-enemies. In this prospect they became the bankers of the peace, as they had been the bankers of the war. No doubt it was a heavy task which should have been limited to the already reduced resources of England and America.

But the Allied and Associated Powers had at their disposal the means of information and of execution for the proportional and equitable distribution of

resources according to the most pressing economic needs. There were the interallied committees on finance, on wheat, on coal, on ships, on oil, etc.

The Central Empires also had their committees. It was only necessary to effect the combination of the two in order to establish the minimum needs and the available resources and to fix equitably the priorities to be given to each nation. Such a plan would aim at the general and equitable reconstruction of the world in the shortest time and at the least possible expense.

No doubt such a plan would not have contemplated treating enemies and allies alike. Allies should always have had the preference. But after their needs had been provided for, it seemed absolutely necessary to give to ex-enemies a minimum of food, raw materials, ships and credit to start their production and consequently their payments. Payments would only be made on goods exported. Indeed without such a plan it has been found necessary to help out the Central Powers in spite of the original determination of governments not to do so.

Such a plan was not a condonement of Germany's crime, but a measure of conservation to permit the conquered to pay indemnities as rapidly as possible, and in this way to reestablish the continent and to lighten the burden of the other peoples.

But this economic conception of rehabilitation implied certain political conditions that had to be inserted in the treaties. It did not exclude disarmament and the freeing of nationalities with the necessary redrafting of frontiers, but it did exclude economic reprisals. President Wilson had fixed the political basis of such a peace of reconstruction in

the Fourteen Points. All the opinion in Europe had accepted these—both the conquerors and the conquered. The economic organizations were already made in the different international advisory committees. These committees had operated in part or in whole for two years or more, not without mistakes, but sufficiently well and the people were accustomed to them. The task seemed easy. The necessity of war had obliged the Allies to create a cooperative organization of all their economic resources. The Central Powers had been obliged to do the same thing. The compelling necessity of the struggle against the enemy having disappeared, there remained a struggle against the universal ruin. It was sufficient to unite the existing organizations in order to establish an economic society of nations.

This society would have been under the control of the United States and England, since these two powers alone were in a position to furnish credit and ships. They possessed the necessary power, for it was only necessary for them to withdraw their credit in order to prevent any nation from making trouble.

This economic society, therefore, could furnish a solid base for a political society of nations which might thus reestablish peace and security in Europe and bring back prosperity. But this implied the maintenance for two years of the great international organisms for the distribution of credits, raw materials and ships. If one accepted this plan, the Society of Nations would become a reality Even Russia in her need would jump at this chance. Without it, the Society of Nations was condemned to remain a judicial fiction without base and without strength.

At the beginning of 1919 the question hung in suspense. Would the diplomats assembled in Paris take up the economic reconstruction before they took up the political? On this decision depended the creation of a cooperative Society of Nations, united for their rapid reconstruction, or a Europe divided according to their imperialistic aims outlined by the secret treaties.

The latter conception prevailed. Its failure now compels the different governments to return to the economic idea.

Europe's underlying difficulty is economic and will be for years to come. How can we in America help Europe to arrive at normal economic conditions?

We can do so only when Europe is willing to be helped. That time has not yet arrived. True, we can pour into Europe loans which will release other sums for military purposes, for there are probably more soldiers in Europe to-day than before the war. Since the armistice our banks and individual merchants have advanced to Europe in goods or money about $5,000,000,000 This sum has not had its fair effect in rehabilitating Europe because it is not being done according to any definite plan. To-day, however, such a plan approaches possibility.

In the opinion of well-balanced people in Europe, the governments of Europe can pay neither interest nor principle on the $10,000,000,000 debt they owe the United States government. Our people must pay.

The economic conference at Brussels, which met at the beginning of October, 1920, performed a magnificent work in gathering facts concerning conditions in Europe. This mass of material will in time furnish the basis of economic reconstruction. But the conference was unable to proceed in formulating

plans because France and Belgium would not allow discussions as to the Reparations Fund; they say that under the Reparations Commission no one must venture to obtrude into its affairs even with advice. Despite this prohibition, Mr. Brand, the British banker, speaking at Brussels concerning indirect rehabilitation, said that Germany's total foreign debt should be consolidated. That implies fixing the total Reparation Fund. This the French do not wish. They want to fix Germany's yearly payments only, these to be capitalized and sold in the open market. Such a plan is possible only if the total of the debt were fixed. (The Conference at Geneva, which was to fix the sum of Germany's total liabilities for rehabilitation, has been indefinitely postponed). The German government's budget shows a deficiency for the year of 35,000,000,000 marks. This bankruptcy would prevent the sale in the open market of such securities.

The United States, however, cannot remain out of the world's affairs. Our population is growing by leaps and bounds. We will be exporting less and less foodstuffs and raw materials. In order to continue to grow, we must continue to export manufactures, and, to do this, we must join the world political game. This is demanded by both moral and material reasons.

Political conflicts accentuate economic difficulties. Owing to our comparatively great resources, Europe seeks from us relief from her intolerable situation. If she does not find relief from her burdens, large bodies of European populations will seek opportunity to live by emigrating to North and South America. Such great migratory movements must be accompanied by grave problems with respect to

our order and institutions and, if not checked, will create further disorder in Europe.

Those who would confine our political life within a Chinese wall, seem to fear that we will be cheated. I myself believe that Americans can hold their own.

These chapters show why certain treaties have become mere scraps of paper and have seldom been enforced. If the Fourteen Points have not been lived up to, it is because they constitute too lofty an ideal for imperfect mankind, governed by its passions and its ambitions. If we Americans have been more unselfish in the recent war, it is well to ask ourselves whether it is not because our interests, being less involved, our resources and wealth being greater and our necessity less, we could afford to be virtuous! But, in small ways we have sold our birthright for a mess of pottage. For, on a hypocritical distinction, we took the interned ships from the common loot of the Allies, because we were strong enough to do it when we sat in the Council of the Nations. The first step in world-help that we can give will be the abandonment of our self-righteousness. After all it is nothing more than a form of that exaggerated nationalism, the curse of Europe to-day.

The great question before the United States really is: Shall we sign the treaties and join the struggle over them? My journeys throughout Europe convinced me that we cannot help ourselves or Europe by ratifying the treaties. Just as the agreements based on the Fourteen Points of cooperation and reconciliation were broken, so the present treaties of hatred and war will not stand. They will gradually be modified to meet the needs of people. If we ratify the treaties it should be with broad reserva-

tions, especially concerning Article X of the League of Nations, and the economic clauses.

It is extremely difficult to make adequate reservations in such complicated documents which concern the whole economic and political life of many nations. All the subject matter of these treaties does not directly concern us except as it interferes with the reestablishment of the economic life of the nations of Europe. I myself have yet to meet any American who desires to guarantee the terms of these treaties.

If we remain outside the treaties our position will be much stronger. We would then act as a disinterested negotiator in the new Europe. While new alliances are in the making, new groupments are not yet fixed, nor a new balance of power determined. We can, however, now be sure that it will not be the same as it was before or during the war.

Much depends on the growth of the Pan-Slav movement in central and eastern Europe. At present it is directed against Great Britain. It looks to a reestablished Russia as a centre. France will probably incline to the Slavs and Italy to Great Britain. However, such predictions are pure conjecture.

We seem foreshadowed to disagreement within the Entente over the execution of the treaty. Outside this cauldron of European conflict the United States could play the part of a strong benevolent friend and adviser. Such a policy does not exclude our making application to join the League with due reservations. In this way we might enter world councils and, if they prove effective, play a logical part in political and economic rehabilitation from war-destruction. At present, however, the League, having no economic basis and being mainly political,

must yield to the Prime Ministers of the different nations, in whom political decisions must rest.

Our effort should be to change the League from a political to a judicial and economic body.

The League's real importance lies in the development of foreign policy. We should have a policy of our own towards each nation of Europe. That policy should tie itself with any economic help we give and with any business relations we establish. The United States has a policy regarding China, for instance; our government backs the consortium, which now looks forward to doing away with many of the evils of the Chinese settlement by the Versailles Treaty.

Adequate information is essential for such a policy. Before and during the first part of the war, our State Department had quite inadequate sources of political information, but, since the armistice, a beginning has been made in organization by our commercial institutions on economic matters. Much closer relations should be established between our government and our commercial organizations if our national effort is to have its full effect.

The government must not only have definite policies, but must join them as conditional on our economic effort. That economic effort, made by groups of individuals, must, in turn, have our government's active support. Of course, it must seek to conform to the government's political policy.

If our external commerce is necessary to our national prosperity, then it must have a policy to make such trade possible. As political conditions are basic in the economic decadence of Europe, private initiative is insufficient to combat them. An example will suffice. The British government evolved a plan to ameliorate the situation in Austria.

Other countries of the old Dual Monarchy government then induced a large number of banks to found an Anglo-Danubian Corporation. This corporation operates factories, furnishes raw materials, pays wages and takes its payment in manufactured goods. In breaking down the discrimination in the Danubian countries, it has the British government's support. When, for instance, the Anglo-Danubian Corporation wants coal for a factory in Austria, it says to the Czecho-Slovakian government: "Give us coal. We will give you copper." The British government backs up such demands. Again, as commerce finds itself blocked in the railway system of the old Dual Monarchy at each present frontier, the Anglo-Danubian Corporation therefore, controlling great shipping enterprises on the Danube, uses that river as its highway of export and import. While its aim is to make profits, this corporation is also giving the means of livelihood to groups of workmen in various countries and assists the government's policy of reestablishing commercial relations among new countries.

In addition, there is need of some general plan, not only political and of government, but commercial and by a body of our merchants. During the war, it will be remembered, there were national commissions which estimated national resources, controlled exports and imports, in fact, practically regulated the business of countries. This internal regulation of each nation was counterbalanced by international commissions which estimated world resources and each country's minimum needs and drafted plans for the distribution and transportation of the Allies' resources. These commissions were purely advisory but, as each nation was represented

in drafting plans, so each government was inclined to accept them. When the war ended, the British, French and Italians wished these international advisory organizations continued. The United States refused on the ground that distribution was better effected by competitive commerce unassisted.

This policy is broken down. Consequently the control of commerce, continued within the nations, no longer having the directing force of the international advisory boards, operates in restraint of international trade instead of as an instrument of cooperation—as in wartime. Some international advisory organization for estimating world resources and the nations' minimum needs and devising plans whereby nations may secure that minimum, would furnish an excellent basis for a League of Nations.

The Brussels Conference attempted such an organization, but the terms of the treaties have, up to the present, stood in the way of its effective work. The International Chamber of Commerce cannot undertake this work because it does not extend its operation to enemy countries.

Economically, Europe is so interrelated that its rehabilitation cannot take place except as a whole. The time has not yet arrived, but is rapidly approaching when such an organization as I have outlined should be possible. Probably it ought to be formed within the League. The economic position of the United States especially fits it to lead such an organization. Indeed, without us, it would be powerless.

Thus briefly I have suggested how America can help in reestablishing in Europe some measure of cooperation in place of war.

THE END.

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